

NATION'S

BUSINESS



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FASTEST
HIGHWAY

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The Bell System cordially invites you to visit its exhibits at the New York World's Fair and the Golden Gate International Exposition, San Francisco.



shake Hands with Our Contributors

ASK ALMOST any business man what he thinks will be the most significant event of 1940 and chances are that he will come right back with the answer, "national election." But important as the election will be to the business community in determining the course of future activity, the taking of the 16th Decennial Census will be equally important in a sort of reverse fashion.

The past ten years have constituted one of the most feverish decades in American life. Changing methods, ideas and habits have been pyramided upon each other with almost unbelievable rapidity. The census takers will try to give us some idea of what has happened in this period in the way of population changes, growth of new industries, migration, and how business has been affected by trends such as a declining birth rate and an increasing number of old people. From the census business men will get an idea of where to look for markets and what consumers will want in the next few years.

Oliver McKee, Jr., Washington correspondent for the *Boston Evening Transcript*, has been digging around the Census Bureau for several months studying plans for next year's job. He gives NATION'S BUSINESS readers a preview of the next census.

Alfred M. Cooper is the recently retired educational expert for the Department of Water and Power at Los Angeles where he was hired after a successful experience in training workers for the Insull Companies and the Western Electric Company in Chicago.

David Porterfield is a former editor of the *Typothetae Bulletin* and Director of Marketing for the United Typothetae of America. He is at present in the employ of an advertising-printing firm in Baltimore and became interested in the subject of insurance risks when he was preparing copy for one of his firm's clients.

John A. Murphy is with the G. M. Basford Company, an advertising agency in New York City.

Jo Chamberlin is a free lance writer, formerly associated with *Scribner's* magazine. Readers will remember him as the author of "Motion Picture Making Isn't All Glamour," in the October, 1938, NATION'S BUSINESS.

Ruel MacDaniel, who discovered the "home town boy," covers the state of Texas in search of material that will be of interest and value to readers of business magazines.

Gelett Burgess, author and illustrator, gained fame in the early years of this century as creator of "Goops." Some of his other works are "Why Men Hate Women," "Two O'Clock Courage."

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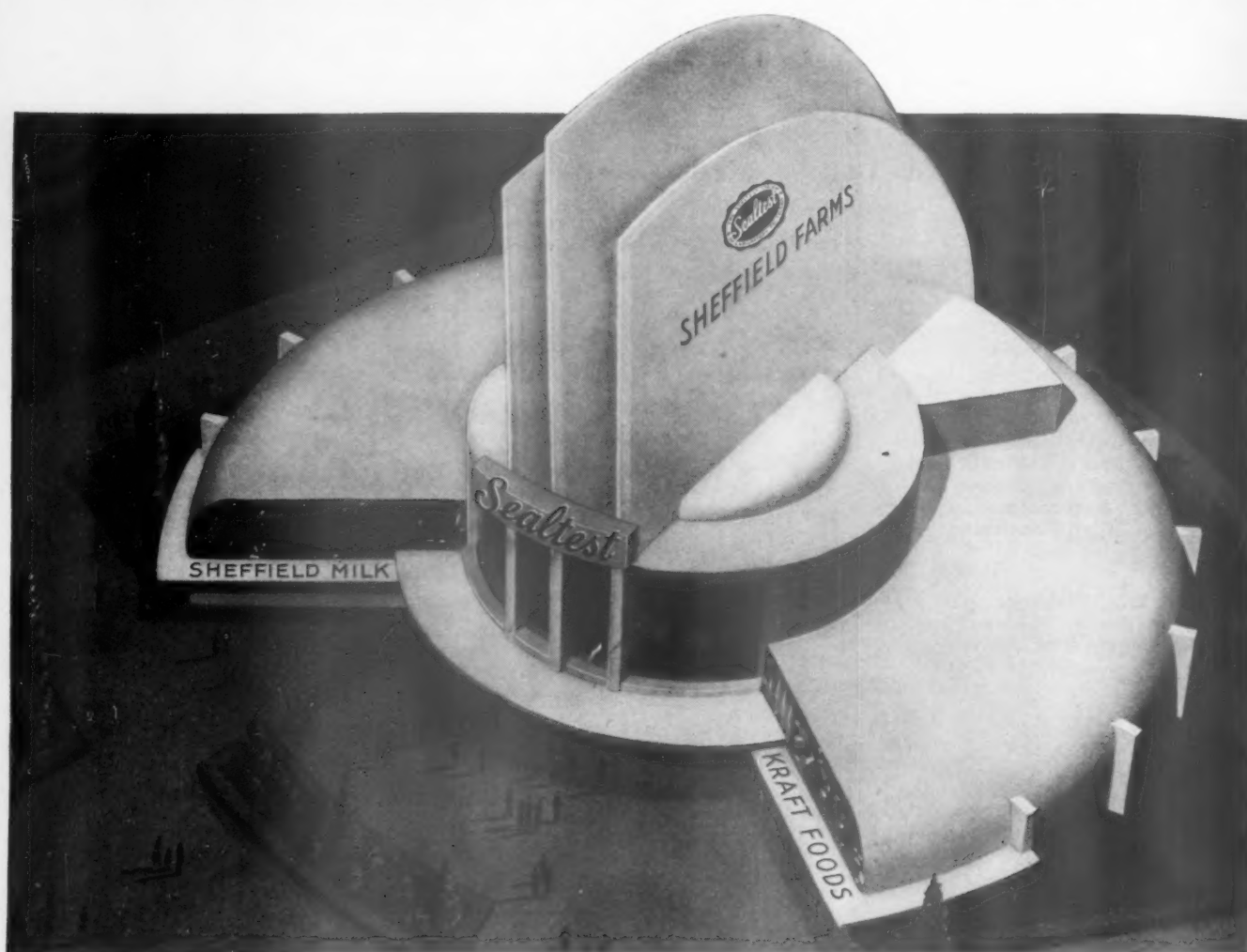
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AT THE "WORLD OF TOMORROW"



-SEE HOW SEALTEST HELPS MAKE LIFE SAFER, TODAY!

Visit the Sealtest Building at New York World's Fair

Don't miss the fascinating exhibit in the modernistic Sealtest Building. See how modern dairy science safeguards the purity of milk, ice cream and other dairy products. See the great globe showing the many communities where Sealtest Laboratories are constantly supervising the quality of dairy products. See ice cream blended and frozen . . . milk processed and bottled . . . under this laboratory control. Visit the demonstration unit of the Sealtest Laboratory Kitchen where skilled home economists create new recipes before your eyes. Put the Sealtest Building on your "must" list when you visit New York World's Fair.

• • •

In thousands of communities the leading dairy products are produced under Sealtest supervision. Millions of housewives are guided to pure milk and ice cream by the red-and-white Sealtest Symbol.

SEE:

Modern Dairy Science at Work

★
Milk Processed and Bottled

★
Ice Cream Blended and Frozen

★
Cheese Processed
and Packaged

★
The Modern Sealtest Laboratory
Kitchen

★
All at the Sealtest Building—
New York World's Fair

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THE SEALTEST SYSTEM OF LABORATORY PROTECTION AND ITS MEMBER-COMPANIES ARE DIVISIONS OF NATIONAL DAIRY PRODUCTS CORPORATION

Through the EDITOR'S SPECS

It's still a habit

A READER in Stamford, Connecticut, some dozen years ago, wrote us he had started a new business and completely equipped his office and plant with products he saw advertised in NATION'S BUSINESS. His method seemed a natural one. But during the dark years that have intervened, we have been led to believe business men were not buying anything, advertised or otherwise. So we take heart from a list just sent us by W. O. Voegelé, who wrote for our May issue the story of Frank O. Sherrill and the S & W Cafeterias.

Mr. Voegelé's list includes equipment owned by the S & W Chain. Among the manufacturers are Burroughs, Underwood, Monroe, Allen Wales, Remington-Rand, National Cash Register, Ediphone, Addressograph-Multigraph, Yawman & Erbe, Globe-Wernicke, Lyon Metallic, General Fireproofing, York Ice Machinery, Carrier Engineering, Cincinnati Time Recorder, Automatic Sprinkler, Celotex, American Air Filter, Westinghouse, General Electric, Allis-Chalmers, Allen Bradley and American Blower.

With three or four exceptions, these are NATION'S BUSINESS advertisers. Where Mr. Sherrill got in touch with the others, we haven't an idea.

State of the nation

AN ASTUTE observer writes us:

I believe our American public is staging something of a revolt against Defeatism; showing signs of being fed up with the "World-is-finished, Let-your-Government-give-you-security" Gospel; bored from carrying around un-exercised backbones; eager to enjoy again the thrill of individual Adventure, Exploit and Opportunity.

Against this must be put the too general feeling that this revival may be too late:—"We self-respecting, tax-paying producers will probably be outvoted by the office-holders, subsidized farmers, WPA-ers, relievers and shiftless radicals!" Unfortunately, this fear is supported by "The New Deal in Old Rome" by my friend Haskell, Editor of the Kansas City Star. This timely book tells of Rome's fruitless efforts to backtrack on her relief rolls, PWA, FERA, HOLC, AAA, etc., by which she tried to save herself.

Add state of the nation

THE New York Fair is three fairs in one, amusement, the power of the State and individual enterprise. Foreign exhibits extol the supremacy of government control over the individual. Top example is that of Russia, with the great bronze figure on a high marble tower. It is the "Russian Worker," and in the white marble building below everything symbolizes the spirit of state authority and control, the absolute domination of all means of production and distribution. Throughout all government exhibits, including our own, are varying shades of totalitarianism, showing, by model, chart, painting, sculpture, literature and word-of-mouth by attractive attendants, what the "State" is doing for the people. One is depressed by our own United States exhibit, in that one looks in vain for any recognition of individual effort; everything praises the bureaus and alphabetical agencies.

But to the glory of "individual effort" follow the crowds! Not to government exhibits, not even to amusement places. They stand in long lines, waiting patiently to get into the "third" fair, the private industry exhibits of A. T. & T., General Motors, Ford, General Electric, U. S. Steel,—to mention only a few which exemplify the American Spirit of Free Enterprise. To study the eager faces of these spectators is to catch a glimpse of home-sickness, a yearning, inarticulate maybe, for a return to the American way, a desire to get away from the promises and panaceas of political leaders. They unconsciously, by their enthusiastic interest, give their answer to "The World of Tomorrow" in a faith, reborn, in the American Spirit of Free Enterprise.

But, it is very, very late

THE monthly newsletter published by Tide magazine comments upon the sudden change of editorial policies and promotional objectives of national publications. It says:

Why this recent shift in editorial policies and promotional objectives? What



where is *that girl*...

?

Gone to the other end of the office for a drink...we'd guess

It's a healthy habit to take frequent drinks of water—but a time-waster if you have to "walk a mile" to get 'em. Install either AJAX or AERO individual cups at several convenient locations. AERO, the swanky round cup, and the unique, thrifty AJAX, save your money by safeguarding employees' health.

Study this angle on business efficiency in the booklet "New Dividends for Business." Free to executives. To inspect AJAX or AERO service personally—without obligation—check square below.



- ☐ Mail us your FREE BOOKLET, and
☐ Have dealer tell us about the special
One Dollar "GET ACQUAINTED" Offer.

LOGAN DRINKING CUP CO. Div.
68C PRESCOTT STREET, WORCESTER, MASS.
270C Broadway • 221C No. LaSalle Street
New York Chicago

PACIFIC COAST ENVELOPE CO. DIV.
416C Second Street, San Francisco

"NEW LIFE AT 88"



1830 Here we are in Richmond, Virginia, back in the days when Andrew Jackson was President. The city is installing a 10-inch cast iron water main. This was a long time ago and the city fathers will be excused for not foreseeing that a larger main would ultimately be needed.



After 88 years of service in its original location, the growth of the city required replacement by a larger line of cast iron pipe. Inspection indicated the old main was in perfect condition. Above you see it being moved to a new location for further service.



1918 Instead of buying new pipe for a needed water main, Richmond reclaimed the ancient 10-inch line and thereby saved a pretty penny for her taxpayers. See photograph below of the pipe, uncovered, inspected and approved for further service in 1931.

TO INFORM THE PUBLIC regarding the high salvage value of cast iron pipe, we cite this example of reclamation after nearly a century of service. It is one of the three major economies of cast iron pipe, otherwise known as Public Tax Saver No. 1. More important, of course, are long life and lowest maintenance cost.



Look for the "Q-Check" Registered trade mark. Cast iron pipe is made in diameters from 1 1/4 to 84 inches.

1938 A section of a cast iron water main, salvaged and relaid at 88 years of age, now in its 110th year of service to the taxpayers of Richmond, Virginia.

THE CAST IRON PIPE RESEARCH ASS'N, T. F. WOLFE, RESEARCH ENGINEER, PEOPLES GAS BLDG., CHICAGO



CAST IRON PIPE

PUBLIC TAX SAVER NO. 1

means this sudden interest in a balanced budget—this alarm at increasing taxation?

Why should — tell Business (capital B) that it is "the focus of America's energies, the distinctive expression of American genius," and — buy full pages to display its editorial attitude on economic and personal liberties?

How come NATION'S BUSINESS is no longer the "still small voice" in a promotional wilderness calling out to advertisers to regain the confidence that is necessary to their success in whatever medium they may choose?

If it interests advertisers today to know that a paper or magazine disapproves reckless spending and political chicanery, why wasn't it worth talking about years ago?

It was worth talking about years ago, and because of indifference on the part of those having the eye and ear of the public, the American system of free enterprise is so imperilled that fighting as well as talking is necessary. Some of our esteemed contemporaries do a lot of talking in their promotion pieces soliciting advertising, while the editorial talking seems to lag behind a bit.

Liberal, careful, conscientious

WE SHOWED our Cynical Visitor the excerpt from *Tide*. He snorted and picked up a copy of "a great national weekly." "Who," he said, "what single individual, has done most to disrupt industry, drive a wedge between management and employee? Senator Wagner! And yet hear what the editor of this magazine, as he advocates an \$850,000,000 'health' bill, has to say of him:

Perhaps the best single argument in the bill's favor is that it is sponsored by Senator Wagner, who is a careful and conscientious liberal legislator if there ever was one.

Our Cynical Visitor went on to exclaim: "Liberal. Oh, yes, quite so, measured in billions. Careful & Conscientious? Well, I seem to remember that the \$300,000,000 added on to the original \$3,000,000,000 relief measure was because the careful and conscientious Senator understood his secretary to say, 'Put it in,' when he really said, 'I have put it in.'"

It takes courage, or something, to talk to a manufacturer about the iniquity of higher taxes and deficits and to forget the tune when singing to readers.

The German idea

THE case goes more deeply than the carelessness which resulted in a tax burden of \$300,000,000. In a recent radio speech on his national health bill, Senator Wagner unwittingly revealed his whole philosophy of government in this sentence:

"The law will only redirect expendi-

tures (for health services) more wisely and economically."

Karl Marx, and every Socialist leader since, has advocated exactly the same thing: Let the State, by compulsion through taxes, allocate (direct) the people's savings, rather than allow the people to do it voluntarily.

Practically all of the legislation introduced by Senator Wagner has been on the theory that the federal Government is supreme and that the individual should goose-step as the Washington bureaucrats call the tune. That is the German idea. The American way, up to now, has been that it is better for the individual citizen to do his stuff, stumble and fall, maybe, but get up and try again—than to surrender his freedom of action.

Economic crown princes

"YOU have to be born to those jobs, buddy, or else have a good pull."

That's an old sedative to ambition. Before listening to its seduction, ask these men:

Elmer R. Jones, president of Wells-Fargo & Co., who began life as a poor boy and left school at the fifth grade to take his first job.

Frank C. Ball, the Mason fruit jar king of America, who rode from Buffalo to Muncie, Ind., in a box car along with his brother George's horse, to start a little business in Muncie that became the biggest of its kind.

James W. Cannon and Fuller E. Callaway, heads of the two great textile companies, Cannon Mills and Callaway Mills, both one-time country storekeepers in the South.

J. L. Bevan, president of the Illinois Central Railroad, who at 12 was a messenger boy in the I. C. freight office at New Orleans.

Walter Geist, new vice president of Allis Chalmers, who started with that company as an errand boy in 1909.

Joseph P. Day, New York's famous big-time auctioneer, once an office boy at \$1.92 a week.

Bureaucratic verboten

EVANGELINE Pepper and Food Products, a packing firm at Martinville, La., would like to manufacture and market peanut butter. It went so far as to install a new processing unit in the plant. But now it is compelled to offer this equipment for sale at 40 per cent of its cost because peanuts are not available for its operations. The Department of Agriculture will not allow a new bounty crop such as peanuts to be grown in that vicinity.

Louisiana farmers, mindful of the command to diversify and eager to supply the peanuts that the Evange-

(Continued on page 48)



"There are no LITTLE ENEMIES"

Minute cracks and tiny flaws in boilers or machinery might seem to some insignificant: mere harmless "little enemies" of power production. Yet Hartford Steam Boiler keeps sharp watch for these, knowing their sinister power to wreck. For Hartford, "there are no little enemies."

This pioneer of American engineering insurance companies has spent 72 years at the single task of protecting and inspecting power-plant equipment. Its trained field force of specialists and experienced home-office staff work together, hand-in-glove, with one aim in mind—to minimize the chances of disaster to Hartford-insured

equipment. Their company's long specialized experience furnishes them means for recognizing and weighing trouble symptoms which to others might be meaningless.

And the proof of the pudding is in the eating. Today Hartford holds an unapproached record of more than 18,000,000 inspections; shop-inspects 90% of the nation's power boilers; covers a preponderant portion of America's insured power equipment.

Ask your local agent or broker how Hartford Steam Boiler can save dollars and trouble for your industry.



THE HARTFORD STEAM BOILER INSPECTION AND INSURANCE COMPANY HARTFORD, CONNECTICUT

Living up to the Greatest Name in Rubber



Shock Absorbers for the world's oldest transportation system



1839 • THE CENTENNIAL OF RUBBER • 1939

Great beyond all other names in rubber is that of Charles Goodyear—discoverer just a century ago of the process of vulcanization that made rubber usable to mankind. To honor him The Goodyear Tire & Rubber Company was named long after his death; from his lifelong effort to extend rubber's utility it takes inspiration and seeks by serviceability to deserve his name.

• • •

TAWPS—Trade-mark of The Goodyear Tire & Rubber Company

IN its many contributions to better transportation on rubber, Goodyear has not overlooked the man who rides Shanks' Mare. He, too, wants comfort, safety and long wear and he finds all three in Goodyear rubber heels to such outstanding degree that it has been true now for many years: "More people walk on Goodyear heels than on any other kind!"

For children and those who work on their feet outdoors Goodyear makes tough, waterproof, sure-footed, silent rubber soles so enduring that no other sole in the world will outwear them.

BOON TO WOMEN—TAWPS—Goodyear's new leather-and-rubber heel-lifts—don't "squish" out—wear twice as long.

And now to women Goodyear brings a new shoe-saver in TAWPS—a new kind of heel-lift, with a tough rubber insert at the point of greatest wear, that lasts twice as long as ordinary lifts. TAWPS prevent slipping, cushion staccato heel-beats, save repair bills. By making the advantages of improved rubber products available in every walk of life Goodyear gains wider recognition as the greatest name in rubber.

GOOD YEAR



The STATE vs. the CITIZEN

Tragic Chronicle of the Quickening Pace of Political Control

"The mind of man is fond of power; increase his prospects and you enlarge his desires."

GOUVERNEUR MORRIS, lawyer, merchant, urging limitation of executive powers, as a delegate from Pennsylvania to the Constitutional Convention in 1787.

143 YEARS 1789 - 1932

- 1887—Interstate Commerce Commission
- 1910—Postal Savings System
- 1913—Federal Reserve System
- 1914—Federal Trade Commission
- 1915—National Advisory Commission for Aeronautics
- 1916—U. S. Tariff Commission
The Aeronautical Board
- 1920—Federal Power Commission
- 1923—Federal Intermediate Credit Bank
- 1924—War Finance Corporation (In Liquidation)
Inland Waterways Corporation

7 YEARS 1932 - 1938

- 1932—Reconstruction Finance Corporation
- 1933—Farm Credit Administration
Civilian Conservation Corps
Federal Emergency Relief Administration
Tennessee Valley Authority
Agricultural Adjustment Administration
Home Owners' Loan Corporation
Federal Home Loan Bank Board
Public Works Administration
Federal Deposit Insurance Corporation
Export-Import Bank of Washington
Federal Surplus Commodities Corporation
Executive Committee on Commercial Policy
National Emergency Council
Central Bank for Cooperatives
- 1934—Federal Farm Mortgage Corporation
Securities and Exchange Commission
The Commission on Trade Agreements
Foreign Trade Zones Board
Federal Communications Commission
National Mediation Board
The Committee for Reciprocity Information
Federal Housing Administration
Federal Committee on Apprentice Training
Federal Savings & Loan Insurance Corp.
National Power Policy Committee
Federal Prison Industries, Inc.
Federal Savings and Loan System
Railroad Adjustment Board
- 1935—R. F. C. Mortgage Company
Resettlement Administration
Works Progress Administration
National Resources Committee
National Youth Administration
Rural Electrification Administration
National Park Trust Fund Board
National Labor Relations Board
Social Security Board
Electric Home and Farm Authority
Prison Industries Reorganization Administration
Federal Alcohol Administration
National Munitions Control Board
- 1936—U. S. Maritime Commission
- 1937—Disaster Loan Corporation
Railroad Retirement Board
- 1938—Civil Aeronautics Authority
Maritime Labor Board
Federal Crop Insurance Corporation
Federal National Mortgage Association
U. S. Film Service
Radio Division of the National Emergency Council

AFTER pondering the March of Bureaucracy which the Lord Chief Justice of England describes as "The New Despotism", and which Herbert Spencer predicted as "Our Vanishing Freedom," turn to page 66 for the other price—the money cost.

Merce Thorne



You're looking at the No.1 transportation of the world

DO you know that the American railroads can haul, speedily and efficiently, more than a *billion tons* of freight a year—more than 30 tons for every family in the United States?

Do you know that the railroads handle more than eight times the tonnage handled by any other common carrier serving the nation?

Do you know that the railroads do this job at an average charge of about 1 cent for hauling a ton a mile? And that this is far less than the average charge made by any other carrier providing general transportation service?

Do you know that the average capacity of a freight car is more than 48 tons—and that many locomotives are able to pull, in a single train, a load of 5,000 tons?

These are facts—and they are made possible because *the railroads have the real*

super-highways of today and tomorrow, built and maintained by private enterprise.

That is why the American railroads provide the most modern transportation in the world—*mass transportation* by means of a single power unit pulling a long train of cars—over a steel “highway” used for no other purpose but mass transportation.

And that's the only kind of transportation which makes possible our modern world of mass production and mass distribution of the things which the American people need and enjoy.

While railroads have been doing our hauling since oxcart days, they have kept pace with the times by constantly improving and modernizing their track and equipment. The billions of dollars invested in improved facilities have been railroad dollars—not tax dollars. For railroads build their own tracks, maintain them, and pay taxes on them.

When you look at the record of the railroads and the job they are doing, you can see why government transportation policy should give all carriers equal treatment and an equal opportunity to earn a living.

A FAIR FIELD.
NO GOVERNMENT FAVOR.
IN TRANSPORTATION

ASSOCIATION OF
AMERICAN RAILROADS
WASHINGTON, D. C.

SEE AMERICA
from coast to coast and
border to border, on one
“**GRAND CIRCLE**” RAIL TICKET—
\$90 in coaches—\$135 in Pullmans (plus \$45 for 1
or 2 passengers in a lower berth).
Start from your home town—visit both the
New York and the San Francisco World's Fairs
—and return. Your own choice of routes; stop-
overs anywhere! Get the full facts from
your ticket agent about the greatest
travel bargain in history!

What's New in the Next Census

By OLIVER McKEE, Jr.

MORE than a mere counting of noses, the census of 1940 is designed to provide a new tool for the help of business men

IN THE Sixteenth Decennial Census, our national desire for facts will build its greatest monument. A statistical inventory of the human and economic resources of the nation more complete than has ever before been attempted, it will reveal the social and economic changes that have taken place in the United States since 1930—a decade of unparalleled change in American life.

The 1940 census will tell a story of great significance to business men because it will present a preview of trends in population, consumer demands, and markets for the next ten or 20 years. The count will cover population, agriculture, business, manufactures, employment, unemployment, irrigation, drainage, mines and quarries.

Three facts will stand out in the population returns:

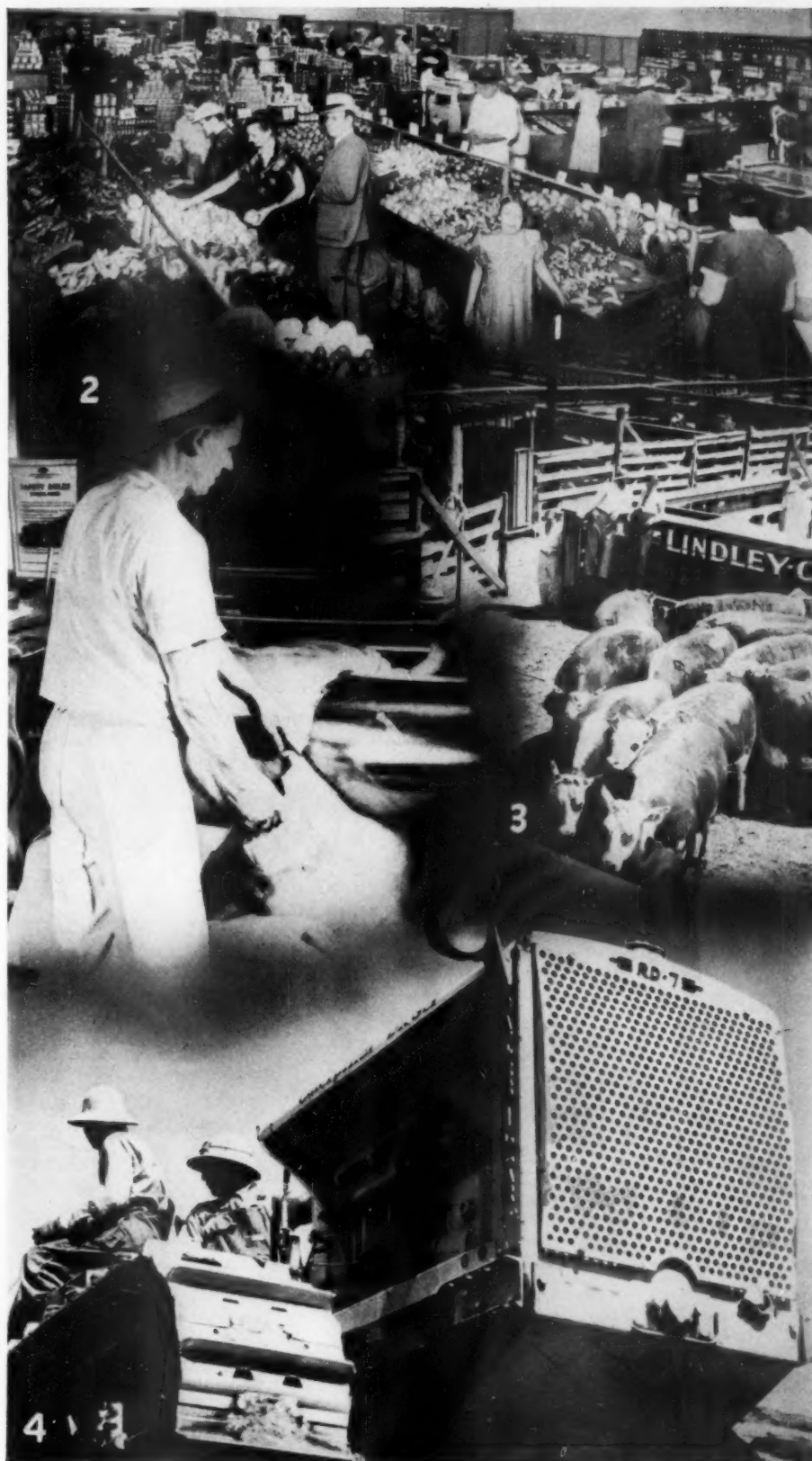
First, an increase in the average age of Americans.

Second, fewer young and more old persons.

Third, reversing the trend of a century, a sharp decline in the birth rate, a plain warning that the United States is near the end of its population increase.

The returns will show a population of 131,000,000, or 132,000,000. From close to 3,000,000 in 1921, births have declined to about 2,300,000. The number of men

1. Are lower prices brought about by supermarkets?
2. Plastics and other new industries create new occupations.
3. Adults eat more meat than children.
4. To what extent has motor power replaced men and animals on the farm?



SOUTHERN NEWS SERVICE, EWING GALLOWAY, MCNANIGAL



EWING GALLOWAY, WIDE WORLD

and women more than 65 is increasing rapidly. Twenty-five years hence, there will be twice as many past 65 as there are today. Though the United States will show a population gain for the decade of about 9,000,000 there will be 12 per cent fewer children under ten. Since 1930, enrollment in the first grade of public schools has declined about 100,000 each year.

Different people buy different goods

NO BUSINESS man can safely ignore changes in population characteristics. The changes now taking place will require sweeping business adjustments. As population growth slows down, increased sales of American goods and services in the domestic market must be sought by boosting consumer demand, by greater production, and by a broader distribution of income. Foreign trade is likely to achieve added importance.

Retired persons on pensions and older men and women will offer a bigger market. In developing new products and industries, business men must pay greater attention to the needs of retired citizens. More people with leisure will mean a boost for recreation and sports businesses. There will be a greater demand for travel and the comforts of home.

With a smaller proportion of school children, there will be less need for expanding school plants and personnel. More facilities for adult education will be required. Businesses specializing on the needs of the young will tend to contract, because there will be fewer buyers of baby carriages, infants' clothing, and toys. Businesses catering to men and women in the middle and upper age brackets have better prospects for expansion.

Children consume from 50 to 100 per cent more milk than adults. The decline in the number of children may, therefore, affect the price and consumption of milk. Adults eat more meat and cereals, *per capita*, than children. So sales of these products should increase. Though fewer children's books will be sold, there should be a wider market for books appealing to older people.

The decline in births will tend toward a greater concentration of wealth. A smaller proportion of Americans will be able to buy expensive foodstuffs and

5. To what extent are retailers moving to outlying sections? 6. How many families are doing part-time farming? 7. Twenty-five years hence there will be twice as many people over 65. 8. Will government service continue to offer more jobs for young people?

luxury goods. Families in the lower income brackets, in the future, will account for a larger share of the nation's purchases.

As their numbers increase, older people, as a group, will have more political power. Politicians increasingly will woo the votes of elderly folks. The declining birth rate, the growing number of old people without children to support them, and the rapidly mounting public expenditures for relief—in these, and other developments we see a shift from family to state responsibility.

Since 1930, there has been a vast migration from farm to city, and from city to farm. Authentic data on this urban-rural migration, one of the greatest mass movements in history, is lacking. From 1934 to 1935, for example, it is estimated that Chicago lost 150,000 persons, and Detroit 90,000. What cities have regained their depression losses? Next year's census will provide an answer. In counting population, the enumerators will obtain full information on urban-rural migration.

Depression altered living habits

IN PREVIOUS depressions, Americans turned up their collars, tightened their belts and faced the storm by staying at home and continuing business at the old stand. The depression that started in 1929 was the depression of the motor age. People by the thousands boarded up or sold their homes, abandoned their businesses and took to the open road in their cars, to search for the gold at the other end of the rainbow. Many American families in their trailer homes are still on the road. What is the trailer population of the United States? No one knows with any certainty. An authentic answer, however, will soon be on hand, because the 1940 census will include a count of trailers and those who live in them.

The census will reveal employment and unemployment by areas and cities and will show the changes that have taken place since 1930 in the nation's labor force.

To know the number of unemployed will not in itself solve the problem of getting the jobless back to work. Information on the number, previous occupations, geographical distribution and size of families will, nevertheless,

(Continued on page 54)

9. One of the great unknowns is number of dwelling units.
10. Market for electrical household appliances will widen.
11. 500,000 farms have been electrified.
12. There are 10 per cent fewer children than a decade ago.
13. What is the trailer population of the U.S.?



The Business Debt to World F



The Hall of Machinery, one of the 150 buildings at the World's Columbian Exposition in Chicago in 1893

This is the way Bell's telephone looked when it made its first public bow at the Philadelphia Centennial in 1876

WITH TWO great expositions being held in the United States this year, it is interesting to note that many businesses got their real start at World's Fairs. They have been the brooding places of several giant industries. Inventions hatched in barns, wood sheds and kitchens were first shown to the public at fairs. Apparently, this has been going on since the dawn of commercial history.

Fairs were first held in connection with religious meetings. These gatherings brought together large numbers of persons and gave merchants an opportunity to show their wares. Gradually, these religious fairs became regular commercial expositions and were held periodically in certain cities. By the tenth century they were established institutions in many European centers. The Leipzig fair, for example, was started about 1200 and has continued ever since.

The first modern exhibition was held in Paris in 1798. This grew into a triennial event. In fact, triennial fairs became popular about that time and were held in many places, particularly on the British Isles. They were semi-permanent exhibitions and eventually were superseded by museums and libraries. The Franklin Institute in Philadelphia started in this way.

New York's first World Fair was the Exhibition of the In-

NATION'S BUSINESS for August, 1939

ld Fairs of the Past

By JOHN ALLEN MURPHY

dustry of All Nations held in 1853. It was not a success, although there were many interesting exhibits. Here were shown such comparatively new products as the sewing machine and the cotton gin. At least very few of the fair visitors had ever seen them before. This Exhibition was housed in the famed Crystal Palace, built especially for the occasion, the first building to use an Otis elevator. Stock was issued for this fair, which sold on Wall Street. It fluctuated widely, as the fortunes of the exhibit went up or down.

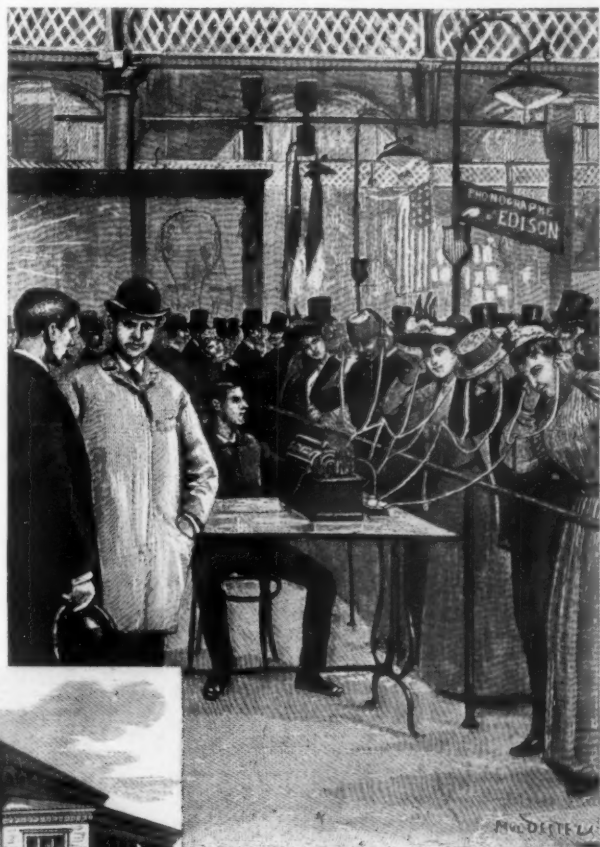
An advertisement for new inventions

THE Centennial Exposition, in Philadelphia in 1876, was the first fair of the type that we know today. It was the forerunner of the numerous similar expositions that have since been put on in this country. The Centennial justified itself in every respect. It had more than 50,000 exhibits, each designed to demonstrate the progress we had made, in manufacturing, in mining, in agriculture and in the arts in the 100 years since the Declaration of Independence. Close to 10,000,000 persons attended.

It happened that the Centennial occurred at a time when revolutionary inventions were being spawned on a scale never before witnessed in this country or in any other. The whole world was engaged in unbelievable material expansion. The Union Pacific Railroad had but recently been completed. The Suez Canal was opened only a few years before. Restless ambition was surging forward everywhere.

In those days fairs were about the only places where new products could be shown satisfactorily to the public. The advertising art was still largely undeveloped. So people went

THE TELEPHONE, sewing machine, ice cream soda, root beer are a few of the modern products which won their first success at expositions. Others may join the list this year

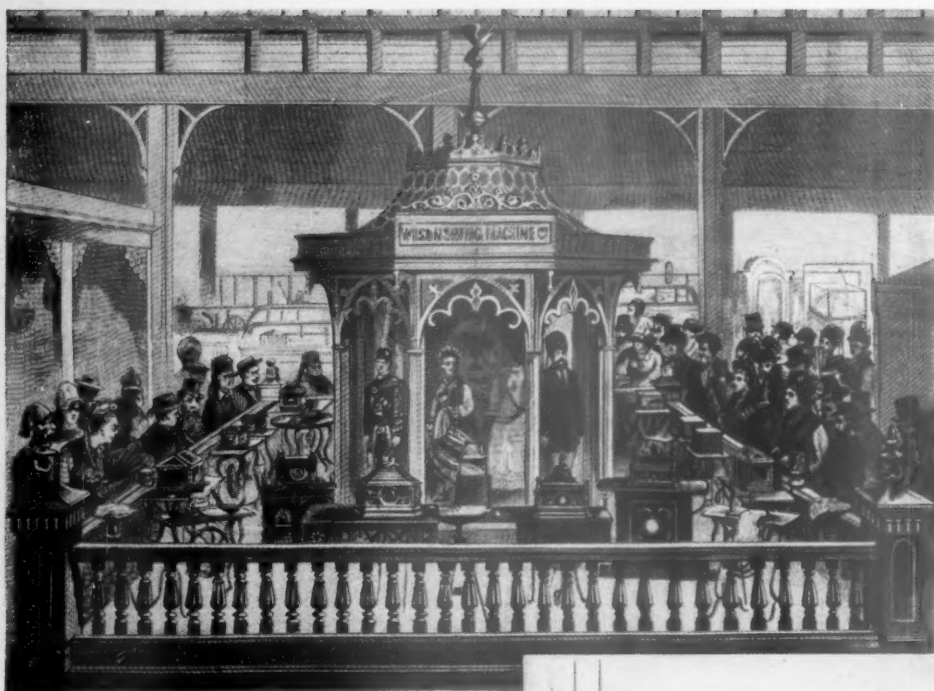


CULVER SERVICE

Individual ear tubes permitted passersby to hear Edison's phonograph at the Paris Exposition



Rowell's newspaper pavilion at Philadelphia inspired Cyrus Curtis to engage in publishing



Sewing machines were introduced at the Crystal Palace in 1853

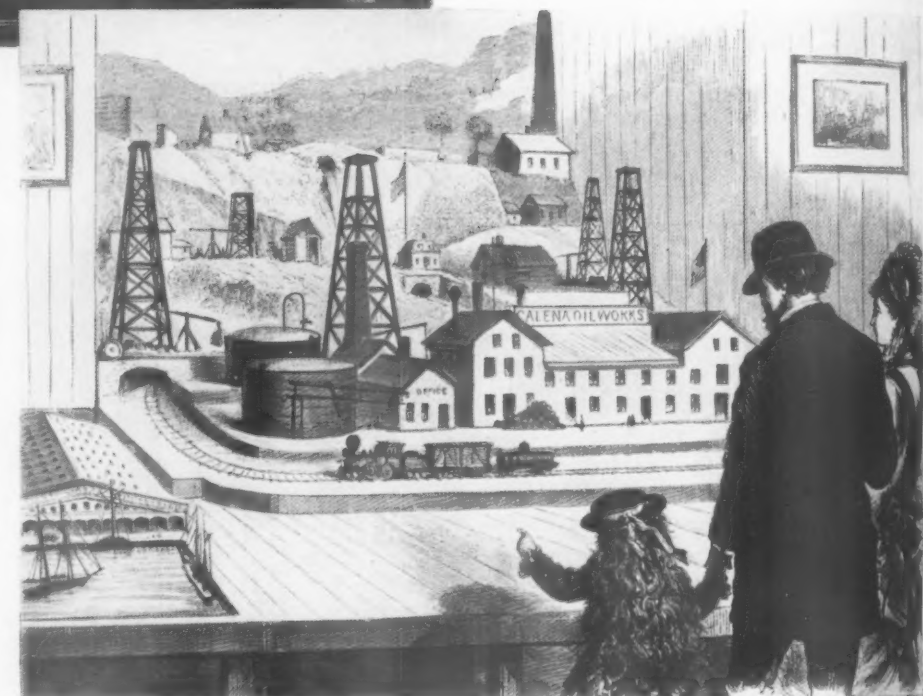
to fairs in a holiday mood, willing to look at any new thing that might be shown. Fairs were places for exhibition. Some amusement was offered, most of it risqué, but entertainment was not the primary purpose.

A new mechanism that attracted tremendous attention at the Centennial was the typewriter, which had been patented in 1867 by Christopher Sholes, but was not placed on the market until 1874. Writing machines existed before this, but they were not very practical. Sholes' invention progressed rapidly after the Centennial, where previously it got virtually no notice. Among the earliest converts to the typewriter was Mark Twain. He wrote the manuscript of "Life on the Mississippi" on it—the first book written in this way.

The telephone introduction

ANOTHER new gadget shown at the Philadelphia Exposition was destined to play a big part in modernizing the world. It was the telephone. Alexander Graham Bell had got his original patent on it that year. So the Centennial visitors were among the first to wonder at this curious contrivance. Many of them went home to spread the news of the "toy" through which one's voice could be carried for a distance.

Among these was William Ezra Mallory of the Mallory hat family. He saw Mr. Bell give a demonstration of his telephone. Mr. Mallory was so impressed that he acquired the rights to the invention for Danbury, Conn., and



The Empire Transportation Company's exhibit of model oil wells at the Philadelphia Centennial was a forerunner of the monster models of today

vicinity. Lines were strung over the housetops of the city. About a dozen subscribers were soon found. The central office was in the Mallory hat factory.

Mr. Mallory, who died in 1938, claimed this was the first telephone system to be operated anywhere in the world. It antedated the system at New Haven, where the first central switchboard was used. Mr. Mallory's enterprise in getting the telephone franchise for his locality is a graphic illustration of how fairs project new inventions into their markets.

Charles E. Hires once told me that the Centennial contributed much to his success in putting over Hires Root Beer.

Hires was a young druggist in Philadelphia. He opened his own shop in 1868. Three or four years later, he concocted an herb tea, which his famous friend, Dr. Russell Conwell, christened "root beer." Hires opened a booth at the Fair and there served sample drinks. The beer made a hit. Hundreds of druggists from all over the United States visited the Hires exhibit. A large proportion of them took home samples of the product and later began selling it in their own stores. Thus the Centennial was the means of getting a wide distribution for Hires Root Beer.

In fact, it might be said that the whole soda fountain industry got its start at the Centennial. While a long list of inventors and entrepreneurs helped in the development of the soda fountain, beginning with Dr. Joseph

Priestley who originated soda water in 1767, the business did not make substantial headway until after the Centennial.

One of the major sights at this fair was a spectacular soda fountain. Here ice cream soda became famous. Ice cream, soda water, pop, etc., had been in existence for many years, but ice cream soda was not discovered until 1874 and it was found accidentally. Robert M. Green was the discoverer. Significantly, it was discovered at another fair—the permanent Franklin Institute exhibit. Green had a concession there. Among other things he served "iced" cream soda, in which sweet cream was used.

One day his supply of sweet cream ran out and he could get no more immediately. So he went to a nearby confectionery store and got two pitchers of ice cream, intending to let it melt before using it. However, when he got back so many customers were waiting for service that he took a chance and passed some of the frozen cream into a glass of syrup. Thus was born ice cream soda. It was the sensation of the Centennial when it was served there two years later.

Newspapers become better known

ANOTHER exhibit at Philadelphia's 1876 exposition exerted a powerful influence on a lot of spectators. It was George P. Rowell's showing of 8,129 different newspapers assembled from all over the country. Rowell, who later founded *Printers' Ink*, had brought out his American Newspaper Directory a few years before the Centennial. Before that, national advertising was difficult because there was no general list of publications. Some advertising agents had their own lists, which they

assembled with great difficulty and which they valued so highly that some of them carried it in their heads.

Among the men who saw the Rowell exhibit was Cyrus H. K. Curtis, who had come from Portland, Me., to attend the Centennial.

"It made a profound impression on me," he said in a chat I once had with

him, "and inspired me to succeed in publishing."

Interestingly enough he achieved his great success in the very city where he saw the Rowell exhibit.

While Thomas A. Edison accidentally discovered the phonograph the year the Centennial was held, I believe the first
(Continued on page 58)



Interior and exterior views of the Crystal Palace in 1853. The "trylon and perisphere" motif is noticeable



No Business Can Escape Change

**When people go on vacation
business greets their return with
newly developed products**

1 • A DOMESTIC electric refrigerator now has a separate compartment for the storage of frozen foods, ice cream, or ice at sub-freezing temperatures. The regular compartment has conventional facilities for food storage.

2 • VENETIAN blinds are now made without cords. They run in guides to prevent slapping in breezes, can be removed individually or as a bundle for easy cleaning. Operating parts are hidden from view.

3 • A NEW floor surfacing material gives a smooth, but tough rubbery surface which will carry heavy loads. It is resistant to skidding, tends to silence sounds, is sparkproof.

4 • AN UNUSUALLY complete diesel-electric plant for camps or other isolated locations includes all necessary electric equipment except a circuit breaker; it can be in operation less than an hour after delivery. Trained operating personnel is not required.

5 • A LIGHT-WEIGHT mitre box for cutting metals with capacity up to 2¼ inches high and three inches wide is accurate to one-eighth degree, weighs only nine pounds. It is particularly designed for metal mouldings and trim, but handles any material that can be cut with a hack saw blade.

6 • HOLE SAWS are now made for high speed to cut holes in hard alloys or anything a hack saw will cut. A mandrel makes possible attaching these saws to drills as small as one-quarter inch.

7 • A POSTING machine has been developed which transfers entire lines of typed or imprinted data, one at a time, from a master sheet to individual sheets or cards. It duplicates by a hectographic device. Designed for an electric accounting machine, it also reproduces lists typed by an ordinary typewriter.

8 • A NOVEL system for handling payroll checks uses a chemical paper which is voided after tampering, an identification card for employees using the same paper, a statement that the cashier is insured against forgery loss if he checks by the identification card.

9 • FOR ELECTROCLEANING polished steel and buffed copper there is a cleaning compound which makes unnecessary mechanical scrubbing or hand wiping. It is said to assure a brighter and more lustrous electrodeposit and eliminate pits and pores.

10 • A RECORDING voltmeter which is portable and uses a round chart is now made. It is light-weight yet strongly constructed to withstand being carried from place to place. It is self-contained and in a weatherproof case.

11 • A SELF-LIGHTING flare is now available which has a device for attaching to car bumpers so that it may be used when lights fail or when driving in fog. It may also be used of course for changing tires and as a signal.

12 • EROSION in ditches is checked by a dam made of a corrugated sheet of an iron-copper alloy. It is formed so that it can be driven into place with a maul. Sections, two feet wide, have a small dam and apron to catch the overflow.

13 • FOR KEY chains of car keys and other uses there is now made a miniature facsimile of your license tag. It is made of a light plastic, can double as a bracelet charm.

14 • FOR FIRE-FIGHTING in the range between hand operated units and fire trucks there is a trailer unit readily attachable to almost any passenger car, powered by a gasoline engine and delivering 150 gallons of water a minute at 100 pounds pressure. The pump unit is self-priming without auxiliaries.

15 • A NEW building unit consists of a concrete block faced with structural glass. The glass is firmly bonded to the concrete. The blocks, available in several sizes, can be used as load-bearing units.

16 • AN EMERGENCY shower for workers exposed to certain industrial hazards releases a large amount of water instantly when a chain stretched from valve to floor is moved in any direction.

17 • A NEW steel alloy has been developed which has the physical properties of open hearth steel but with faster and easier machinability. It has a small percentage of lead which seems to affect only its machinability.



22 • A NEW machine for receipting and posting installment payments at the window has been developed. It offers economy, speed of operation, and uses very little space. It can also be used as an adding-subtracting machine.

18 • A NEW coffee percolator is made of stainless steel with a copper-clad bottom for quick heat transfer. It has a cool plastic grip and cover knob and an easy pouring spout.

19 • FOR the amateur photographer there is now a print dryer which dries in 15 minutes without curling or warping. It handles both glossies and matte prints. The air is warmed electrically and circulated under controlled conditions.

20 • COBALT high speed steel can now be heat treated by a new process which leaves it tough rather than brittle. It is said to fill the gap between hardened high-speed tool steel and carbides.

21 • A NEW desk for secretaries combines a typewriter pedestal and desk. The pedestal and stationery rack slide out from the desk leaving the desk top clear for work. It is available in several sizes from 36" to 60".

—W. L. HAMMER

EDITOR'S NOTE—This material is gathered from the many sources to which NATION'S BUSINESS has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.

NATION'S BUSINESS for August, 1939



Every employee of the municipal utility is part of its vote getting machine

Political Boss—New Style

By ALFRED M. COOPER

THEORETICALLY, the municipally-owned electric utility is the property of the people of the city which has voted it into being. Its employees are servants of the public, and its management obedient to the wishes of this public, as these desires are made known by the voters.

In practice, any successful city-owned utility must control municipal elections and develop the most powerful local political machine extant—or become a football for every politician in the city hall.

Make no mistake about this. The people of any city which has a strong municipally-owned electric bureau have little to say about the operation of that bureau. I know whereof I speak, because I have spent the past four years in winning municipal elections for one of the largest of our city-owned utilities. In five election campaigns in that period, this organization has voted itself more than \$100,000,000 for improvement of plant, defeated every move of competing pri-

PERHAPS you have wondered why municipal utilities have so little trouble getting the people to vote what they want. Here's the reason—and how to prevent it

vately-owned utilities to gain further franchises, and, finally, absorbed all of these competing systems into its own.

The municipal election is the lifeblood of the publicly-owned utility. Through it, this organization can go before the people and ostensibly receive an overwhelming vote of confidence in its methods of managing this phase of the people's affairs. It can ask for, and receive, almost any amount of money it wishes to spend, in the knowledge that this money will be forthcoming with no strings tied to its disbursement.

The municipal election also provides the perfect alibi for any criti-

cism which may be directed against the management of such a utility. This management is forever merely obeying a "mandate of the people" as expressed in some recent city election. It can always show at least a two-to-one sentiment by the voters of the municipality at the polls.

But these elections do not reflect at all the preponderance of belief of the voters of the city, simply because an organization like the one of which I was a part controls not only all elections in which there are issues pertaining to questions of policy in management of the city-owned utility, but also can dictate which city councilmen, mayor, or state assemblymen

from nearby districts shall be elected.

When it comes to winning municipal elections in which the city-owned utility has something at stake, it can beat any privately-owned utility hands down.

In this field, the municipal group is right at home. It is thoroughly organized and prepared, and will have the election all sewed up while the privately-owned utility is floundering about, trying to get its ideas over to a disinterested general public, most of whom will not appear at the polls.

Here is how the thing is done:

When the management of the city-owned utility decides, let us say, that new capital is needed for improvements to plant which cannot be made out of earnings, a proposed bond issue is placed on a coming municipal election ballot, or a special election is called.

The latter, incidentally, is the preferred method, since only a fraction of the total city vote is cast at any special election, and this makes the organization's control of these affairs much simpler.

Management next calls a meeting of some 300 key men—supervisors and those having valuable political affiliations—and gives them a pep talk about their duty in the coming fracas. They are told to pass the word along

to their subordinates, and long experience tells these employees that the well known bee is about to be put on them. Each employee is asked to contribute a percentage of his salary to a war chest, deductions for which are made automatically from the pay roll.

No compulsion is visible

THERE is no compulsion here, or at least none is in evidence. The employees have been touched so often for this purpose that they have become callused. They may grumble a bit but they at least contribute, which is the important thing.

This collection of funds from employees is essential, since it is illegal, in this city, for a city department to use city funds to influence election results.

This money is spent for time on radio stations, for newspaper, billboard, and handbill publicity, for mimeographing and printing bales of literature for house-to-house distribution, and for certain other mysterious purposes which are known only to the inside few. For years, the employees have been asking that some accounting be made to them of these

expenditures, but without success. The war chest usually contains about \$25,000 at the beginning of a campaign.

Thus heeled, the utility now begins a broadside of publicity, all aimed at the taxpayer, the sense of which is that the bond issue, since it will be paid out of revenue, will constitute no increased burden on his already tax-bled pocketbook. Speakers are sent out, literally hundreds of them, to clubs, industrial organizations, any place, in fact, where a few people can be got together. These speakers are nearly all employees of the utility, and speak both on their own and company time. They are trained by a professor of public speaking from a local university who is paid by the utility for his work.

A citizen's committee is organized, in which as many prominent citizens are listed as will permit the use of their names.

So far, with the exception of the employee contributions, the whole affair will have a familiar ring to those private utility corporations which have found it necessary to battle for their lives in the arena of the municipal election. The thing has been done so often, and every one concerned knows that the sum total of all this

(Continued on page 46)



The municipal utility not only dictates its own policies but determines what mayor, councilmen and state assemblymen shall be elected

Home Town Boy Makes Good—at Home

By RUEL MacDANIEL

TRUE stories of business enterprise dedicated to those who feel that opportunity has somehow managed to pass them by

HE WAS one of the most enthusiastic young fellows I ever saw. As he moved back and forth behind his modern counter freezer with its artistic displays of freshly-cut meats, his every step announced his pleasure in serving his trade.

"You act as though you really like to wait on people," I commented.

"It's no act," he said. "I do like it. And why shouldn't I? Not only am I making money but I've discovered something that will be worth thousands of dollars to me in the future. Why shouldn't I show some enthusiasm?"

Henry had leased the meat market in the rear of a long-established service grocery two months before. Before he took it over, it had been operated by a local man who, over a two year period, had barely made a living. His volume, at the time he gave up the market, was slightly less than the business being done when he took it over.

Young Henry was born and reared in this little town of 2,000. He learned the meat-cutting trade under his father in a local market. When he was 19 he concluded that he had reached the peak of his opportunity in his home town. With the blessings of his parents he went to a nearby city and got a job in a market. Later he worked for one of the biggest chain food stores.

Being energetic and ambitious to learn all he could about his chosen trade, he not only made a conscientious effort to fit himself in with the tempo of the establishment where he worked but he studied his employers' merchandising methods. He marveled at the careful attention the store devoted to costs and the elimination of waste; at the care in buying, at the emphasis placed upon pleasing the customer. Eventually he became manager of the



EDWARD F. WALTON

At the end of his second month, Henry was showing an increase of 135 per cent over the business done by his predecessor

market where he began his city employment. In this position he had opportunity for further study of business methods.

Looking for a place of business

HIS ambition still persisting, he decided that he wanted his own market. He talked to packing company salesmen, representatives of cheese manufacturers, to any one who might know of a promising location where he could start a market or acquire one already in operation.

At about this time he was called back to his home town by his sister's illness. While there, he naturally visited the local markets and talked with the meat-cutters and market owners.

He learned that the owner of the grocery store was dissatisfied with his market man and was going to make a change.

Henry spent hours in the store, watching the meat man work and handle customers. He watched him cut meat—and waste a lot of it. He listened to him when farmers and ranchers came in and sold him livestock. Finally he told the store owner that he would like to lease the market if a change should be made in that department.

Eager for a new man, the owner accepted Henry's proposition. The man before him worked for a salary of \$25 a week and a small percentage of the net profits. The latter amounted to very little, and the meat-cutter seemingly had been satisfied to go along on his

guaranteed salary. But this plan did not appeal to Henry.

"I don't want any salary," he said. "I want to come in and take charge of the market. I'll do all the buying, maintain my department, hire and pay helpers as needed. You pay for whatever I buy. At the end of each month we'll divide the profits."

Volume and profits were up

WHEN I talked to Henry near the end of his second month, he was showing an increase of 135 per cent in volume over the last month the other man had operated the market. According to his estimate, his share of the net profits for his second month would be just short of \$200.

"And," he said enthusiastically, "just you come around a year from now and I'll show you a real business. The store owner has offered to sell me the shop, and six months ought to put me in position to buy. I'm going to do a lot of things then."

Henry's reasons for coming back to his little home town to settle down and build up his own business were logical and are the same basic reasons why other young men today are doing the same thing. He said:

When I started to work in the city, I found a lot of other young men from farms and small towns there in my trade and in many other lines. Most of them were ambitious. That is why they left home in the first place. They thought they would find better opportunity in a city.

There are excellent opportunities in the city, it is true, but there are a lot more young men to take advantage of them, too. Not only is there the usual quota of local boys working to reach the top but that quota is swelled by young fellows from the small towns and the farms of the territory.

On the other hand, here in my own town most of the fellows I have to compete with are not serious competition. The fact that they haven't got away from home to look around and learn something of their trade or profession indicates that they are satisfied. Most of them are willing to let things drag along, while they make a reasonable living.

In the large city, unless you're on your toes all the time, somebody is going to come along and take your trade away from you. If I use the same methods here that I would have to use in the city to stay in business at all, I can be the leading meat merchant in no time.

Predictions to the contrary, the small town is by no means dead. Nearly half the people in the United States live in towns of 2,500 or less and on farms. So long as such a preponderant percentage of Americans live in little towns, just so long will there be opportunities for brilliant young men in these little towns.

A young man who makes, in a small town, the effort that would be necessary for even mediocre success in the city should win real success right where he is.

"But I spent a lot of money going to

college. Four years of my life went into preparing me for a business career. I can't find opportunity to utilize that college training in my own little town," a young man told me recently.

That remark reminded me of a man, now about 38 years old, who not only graduated from his own state university but won an Oxford scholarship and graduated from that institution as well. He was brilliant throughout his college career. His friends predicted great things for him in the financial world. He had several enticing offers from New York concerns even before he graduated from Oxford.

He turned down all of them. Instead, after seeing some of the world and studying practical business methods for a year in a metropolitan department store, he went back to his own little southwestern town, with a population of about 1,200, and took charge of his father's hardware store. The father appreciated the opportunity to retire, and the young Oxford man, with his English accent and Van Dyke beard, went to work.

Today he owns one of the most profitable hardware stores in his state. He not only has prospered by applying his education in his small-town store but he has rendered an immeasurable service to his townspeople by introducing better farming methods, diversification of crops, new grasses for hay and grazing and a lot of things that have contributed to the prosperity of his community. He quickly became a leader in

his town and, through that leadership, he has built better schools, a modern church and better roads in the trade territory.

He might have been a brilliant success in New York; but, if he had succeeded, he would have been forced to compete with many other equally brilliant young college men, and the efforts he would have spent for success there would have been less productive than equal effort in his own home town. At least, he sincerely believes so.

Home town opportunities are not limited to young men who have studied for business or the trades. Brilliant young professional men are returning to their home towns and succeeding.

I know a doctor who caused his well meaning friends to shake their heads in despair 11 years ago when he announced, after completing his two years as interne in a well known eastern hospital, that he was returning to his home town to start a general practice. His town had only 3,100 people, and four well established physicians were already practicing there.

Going was tough for more than a year; but gradually his knowledge and training—which would have been essential to any worth while connection in a large city—became known to the local people.

The older doctors called him on several difficult cases. He performed several serious operations on patients carried to a modern hospital in a nearby city. Gradually his reputation spread.

Today he heads his own hospital in his little home town. His fame has reached beyond the bounds of his state. Sufferers from chronic ailments come to his hospital from great distances. The value of the service he is rendering cannot be questioned. It is doubtful if he could have gained success in equal measure in any large city clinic. Certainly his service could have been no more praiseworthy. Brilliance and ability are more quickly discovered in a young

He learned the secret of serving the motor-ing public successfully



man and recognized in the small town than in the large city, because there is less brilliance there to conceal his own.

Certainly if a young man lacks education, his own home town offers him his greatest opportunities. The average small town boy who goes to college feels that he is wasting his education by returning home. Thus the field is open for any young fellow with ambition.

I know a man now 28 who did not even finish high school who has built up a service station business in a town of 800 that makes him more money than the bank president makes in the neighboring county-seat.

Going to work at 17, he did odd jobs around garages, filling stations, grocery stores and anywhere else he could pick up employment. Finally he became attendant at a service station owned by a major oil company. To hold his job—and he wanted to hold it because the \$20 a week salary was the most money he had ever made—he had to be on his toes. He had to learn to serve the public pleasantly, quickly and efficiently. He learned how to keep the station attractive and clean. In short, he learned the secret of serving the motoring public successfully.

Learning business methods

EVENTUALLY he became a station manager. In this capacity he learned the business methods that made a profit for the operating corporation. Being ambitious to own his own business someday, he remembered what he learned.

Finally he bought a run-down service station in his little town, spent every cent he had cleaning it up and making it presentable and took on a nationally-known line of gasoline and oils. Motorists were quick to recognize an alert young man who acted as though he really appreciated their business.

He built up that station in eight months to a point where it was making him more profit than he had ever dreamed one service station could make. He added services. Finally he bought another run-down station on the opposite side of town. When he cleaned that up and began carrying the same line of products, he lost a little of his original business to it; but not much.

By this time he had attracted the attention of the district agent of the oil company from which he made most of his purchases. This

(Continued on page 47)



Returning from Oxford University, he turned down several flattering offers from New York financial houses to return to his home town and his father's hardware store



Edwin Way Teale rented an orchard, planted weeds to lure insects for his camera, writes books on subject



Ely Culbertson's hobby, bridge, paid more than teaching

WILLIAM WALLACE, an engineer, lives in the little mining town of Winton, Wyo., population 739, and about 5,000 miles from Scotland where he was born. Years ago Wallace played the bagpipes as a hobby. But he found difficulty in getting just the pipes he wanted from Scotland, and they were expensive.

So Wallace began making Scotch bagpipes himself in his mountain home workshop and selling them to other loyal Scots in the western states and Canada who wanted to play the pipes. Today Wallace devotes every minute of his spare time to bagpipe making and

still can't keep up with orders. His instruments are of good quality, he does all the hand and precision work himself, and he loves it.

In his well equipped shop he combines blackwood from Africa with strips of sheepskin, chromium plated metal, ivory, and fancy colored tartan into bagpipes which go to make music and lighten the hearts of countless expatriate Scotsmen.

William Wallace is but one of many persons who have found that hobbies often pay dividends in cash as well as in satisfaction—even in a corporate age where individual enterprise is com-

A Hobby Can Pay

By JO CHAMBERLIN



Historians, art students, writers find Charles Zemler's collection of ancient barber tools valuable

monly supposed to have no chance.

So, if you are bored with your job but in no position to tell the chief what you think of him and walk out, look around for a hobby, or develop the one you have. With a little imagination and elbow grease, you may be able to grow an honorarium in your own back yard.

J. C. Chalmers of Los Angeles was a plumber who enjoyed making candy in his spare time. He made all varieties, including a transparent kind which looked like glass. Mr. Chalmers now earns a good income manufacturing candy "glass" for the film companies. Whenever you see Victor McLaglen or Wallace Beery crashing through a plate glass window, don't worry. It's just some of Chalmers' candy and won't hurt him. Or when some nitwit film comic eats a goldfish or grasshopper just to show his sweetheart that he

an Pay You Dividends

IN SHOW this to your wife when she complains that you are wasting too much time with your stamp collection, golf, or whatever you do in spare time



Chemistry is hobby of A. George Stern, here demonstrating cold fire. Movies find his effects useful



Interest in snakes won Raymond Ditmars job as curator of reptiles in Bronx Zoo



Movie Actor Charles Ruggles started his kennels as a hobby, now they are profitable commercial enterprise

loves her, don't shudder—Chalmers makes these items too, out of sugar.

When Raymond Ditmars was a young man, he became interested in snakes. At home he kept a room full of them as pets, and his harassed parents never knew when they might see a black head pop out of Raymond's coat pocket, or one of his glistening six-footers sunning himself on the family fire-escape. Ditmars tried to follow other branches of scientific work and, for a year or two, was a reporter on the *New York Times*, but his number one interest was snakes. He occasionally kept a satchel full of them under his desk at the *Times* office until his fellow reporters learned of it and declared they couldn't write a line.

His home collection grew until it occupied an entire floor and, after work-

ing hours, he served as physician to ailing snakes owned by circus performers. His reputation and his knowledge grew. When the now famous Bronx Zoo was being formed, his paper assigned Ditmars to cover the project. The new head of the enterprize soon became convinced that Ditmars knew more about snakes than any one else he could think of. He made Ditmars curator of reptiles and he filled the job brilliantly.

Photography becomes profitable

THE next time you notice an Associated Press credit line underneath a photograph in your newspaper, let it remind you of a man who is now A. P. supervisor of photography—Kip Ross. He is but one of many who have turned picture-taking into a profitable enterprise.

As a newspaper reporter in the Middle West, Ross often wished he had a camera to snap some interesting scene. When he took a job reporting in San Antonio, he took up photography on the side. He gradually became proficient and went into this division of the A. P. He now has an executive position, buying all equipment for the photographers and supervising their work all over the country.

J. G. Lutens, once an executive in the commission business, is today one of the officers of a large camera firm and is engaged in lecturing, instructing, and encouraging amateur photographers all over the country. He enjoys working with them immensely—he was one himself once—but today photography is his profession. He has won nu-

merous awards for his own pictures.

Edwin Way Teale is a writer living on Long Island. He liked to photograph insects in his spare time, but his own yard did not have the right kind of plants to attract certain species. So, for a modest sum, he obtained the "insect rights" to an old orchard where there was a pond and an abandoned gravel pit—just the place for bugs. And, while other people were spending money for sprays and weed killers, Teale searched high and low for unusual weeds which he could plant to attract the pests! They soon came and stayed.

"Insects," he told me, "are just like people when their pictures are being taken. Some are temperamental and fidget about—others stand perfectly

still. No two insects look or act quite alike."

Mr. Teale has become an authority on insect photography and has written several books on the subject.

Robert Backus, a musician of Florence, Colo., was once given an Indian head-dress by a friendly Sioux in Deadwood, S.D. He became interested in collecting Indian objects. They were his hobby during the many years he played a slide trombone in the lusty, old-time dance halls and show houses of the gold mining camps of Cripple Creek, Leadville, and Silverton. In recent years he has made a business of fashioning Indian war bonnets and other articles for film companies, rodeos, and individuals—trying to reproduce faithfully the best original work he has collected.

Norman Sherwood of Spring Lake, N. J., is one of many people who started out collecting as a hobby and wound up making a good living at it. When Sherwood was selling coin banks in the New York area some years ago, he became interested in the old

(Continued on page 62)



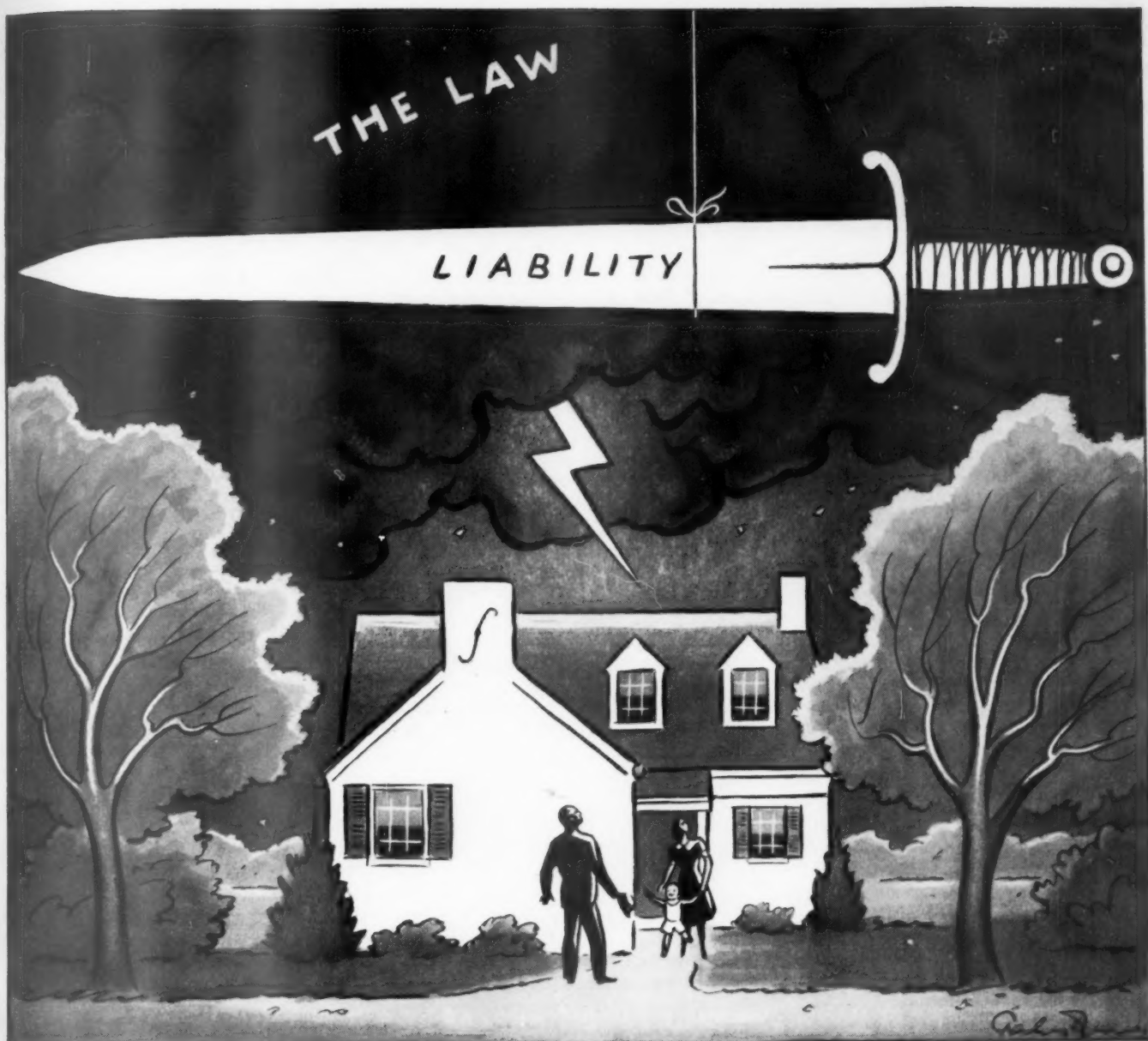
COURTESY "POPULAR MECHANICS"

Frederic A. Craven built ship models for fun. Now makes them for Navy



Actor Reginald Denny repaired model plane, got interested in models, now has a paying shop

Lionel Barrymore turns to art for relaxation. This is one of his etchings



The increase in claims and severity of judgments concerns all business men

Are You Wide Open to Liability Claims?

By DAVID PORTERFIELD

IF YOU own a home or operate a business any one may sue you, and probably collect

RESULTS already achieved demonstrate that *something can be done* about saving lives, money and property when we determine something *should* be done.

Traffic fatalities have been brought below the number of accidental deaths in American homes. Nearly 1,000,000 persons are alive who otherwise would

have been killed at their work because we have had safety education and engineering for a quarter-century. The reduction in fire losses is reflected in the decline of the fire insurance rate from \$1.167 in 1905 to the present low of 67 cents.

Something needs to be done, unitedly, about the already costly and steadily mounting toll of judgments assessed by courts against businesses and property owners charged with negligence and compelled to pay out enormous sums because of a liability imposed by law.

Costs are being increased despite heroic efforts to keep them within

reasonable bounds; property, reserves, even solvency are jeopardized, as courts render higher and higher verdicts, amounting in some instances to capricious confiscation, in the ever-increasing numbers of claims for damages alleging negligence, some on the flimsiest of pretexts.

Legislation to provide a greater measure of justice may be necessary. Surely more sanity and a more highly developed sense of values are urgently needed in administering present laws.

Figures compiled for a recent year reveal that liability costs or losses totalled \$148,000,000, not including

unreported sums paid in settlements made out of court. Of that sum, firms and individuals who were either uninsured or underinsured sustained losses of \$111,000,000. Insurance companies paid the remainder.

By what right, what process of reasoning, may courts take your money, your property, and order it paid to another? The law requires property to be maintained and business to be conducted with due regard to the public safety and the property of others. Failure to exercise "reasonable care" constitutes the basis of legal liability. But the law does not permit the property owner or business man to define "reasonable care." That is reserved for the courts.

The jury decides

NEGLIGENCE is a question of fact. It is not defined by statute. Hence, what constitutes negligence in any particular set of circumstances depends on the opinion of the jury.

Two persons may be injured in one accident. They may bring separate suits against the same defendant. Both suits may be tried before the same judge, the same lawyers may represent the litigants, and the same witnesses may testify to the same facts. But the two cases may be tried before different juries, and it is possible one jury will give judgment for the plaintiff; the other for the defendant.

Any one who owns, leases or uses property, any one engaged in a business or profession, is subject to the law of negligence. So are persons or corporations acting as administrators, guardians, executors and trustees. So also are those who engage in sports.

Claimants may be invitees, licensees, trespassers. In general, any member of the public is a potential claimant. The term "public" comprises any one not an employee of a defendant. Liability to employees exists, of course, as has been generally recognized in workmen's compensation laws. Potential claimants include men, women and children, who, for their own convenience or pleasure, are permitted to come upon the premises of others—as visitors to a factory, house-to-house salesmen.

Then there are those who enter premises to transact business, or as visitors, because of an express or implied invitation—as patrons of a theater or a store; sub-contractors and their employees; salesmen, the milkman, the mailman.

Even persons who enter premises without permission, because of curiosity, their own convenience or for other reasons may become claimants. Courts have repeatedly held property

owners responsible for injuries sustained by trespassing children despite the presence of signs warning "No Trespassing," "No Admittance," "Keep Out."

There are risks about every home and business. You may not recognize them; may not realize they exist; but that would be no defense should accident occur and suit be brought.

The amount of damages assessed by juries is not fixed by the cause of injury, nor does it necessarily have any regard to the defendant's ability to pay, nor to whether he is insured. It is determined by sex, age, income, extent of injury of the claimant. The law of negligence, the attitude of juries, the claimants, the causes of accidents and claims, all surround and influence the extent of legal liability for bodily injury and for property damage.

If a messenger breaks his leg on your icy steps, you may get off with a relatively light loss. If a widow, only support of several children, sustains a similar injury in the same manner, it may cost you a lot more. In short, you have no way of knowing what your liability is or may become.

A house was being built. A child who, with other neighborhood children came onto the premises and played on a pile of lumber, was killed when the lumber fell. Suit was brought and a judgment of \$4,500 returned. The case was appealed to the State Supreme Court, the defendant maintaining that, since the child was a trespasser, he owed her no duty. But the Supreme Court, affirming the trial court's decision, held that he should have known that children were likely to play on a pile of lumber; should have kept his premises safe.

Keep your premises safe

AT A seaside resort there is an establishment where the customers, men, women and children, sit on stools at a counter to play a game. Several claims have been made by women who have fallen getting off the stools. Elderly women seem especially prone to sustain serious injuries. In one case that went to court, the plaintiff alleged the floor was wet, causing her to fall and to break her hip. Hard to defend, months afterward. The jury found for the plaintiff; defendant had to pay.

If you have a railroad spur into your premises, very likely you signed the customary "sidetrack" agreement to hold the railroad "harmless." In that case you became an "insurer;" assumed a risk. Here's what it cost one manufacturer who signed such an agreement:

A guy wire from the manufacturer's smoke stack sagged low over his spur track, caught a brakeman riding on

top of a car under his chin, throwing him to the ground and breaking his back. Suit was brought against the railroad and the manufacturer.

The manufacturer carried Manufacturers' Liability insurance with a \$10,000 primary limit. Fearing a high verdict, the insurance company negotiated and succeeded in inducing the plaintiff to settle for \$17,500 with both the railroad and the manufacturer. In this situation, the manufacturer, who had no Contractual Liability insurance, was forced to pay the railroad's share, \$8,750. The insurance company paid a like sum.

Poor light may be dangerous

A SALESMAN was soliciting an order for equipment in a bank. On the invitation of a bank official, he was led from a brightly lighted lobby into a small dark room. Unaccustomed to the dim light, he fell down a stairway, sustaining fractures of the spine and dislocations. Suit was brought against the bank for \$100,000. The jury in the trial court rendered the plaintiff a judgment of \$25,000.

The bank's Owners', Landlords' and Tenants' Liability policy was for a primary limit of \$10,000.

Illustrating how an injury and the resulting claim for damages may involve but a few hundred dollars if it happens to one individual, whereas, sustained by another it may lead to a costly judgment, is this case.

As the curtain fell on the last performance of a foreign dancer, he jumped from a raised platform and started offstage. Another performer called him back to get his castanets. In the meantime, the platform was being lowered to the stage level. As he reached for his castanets the toes of one foot were caught under the lowering platform and four of them were so crushed they had to be amputated.

All performers had been repeatedly warned not to leave the platform until it was lowered, but the dancer ignored the warning.

He brought suit and a jury rendered judgment for \$50,000 in his favor. The theater, insured for \$25,000, faced a loss of the additional \$25,000. At a cost of more than \$8,000 for attorneys' fees, witness expenses, court costs and investigations, the case was carried to the Court of Appeals; but the trial court's verdict was sustained.

In a recent case, a verdict of \$10,000 was returned against a hospital for negligence alleged when a delirious patient escaped from his room and wandered into the street where he sustained injuries.

A woman, claiming she suffered ptomaine poisoning from eating fish

(Continued on page 60)

The Selling Game . . .

As Seen from the Bleachers . . . The Hits, Runs and Errors Scored in the Biggest League of All

Salesmen's Protocol

WHAT are the commonest mistakes that salesmen make? Every sales executive and every purchasing agent will have an answer to that one. But Cy Norton, manager of sales promotion for Strathmore Paper Co., set out recently to find the real answer, not somebody's hunch. He did considerable research and recorded objective observations of a number of sales inter-



views, including shorthand notes of the actual conversations.

The results left him in no doubt. No. 1 *faux pas* is the salesman's failure to identify himself properly!

Of course, every sample case totter introduces himself on his first call. But on subsequent calls he often wrongly assumes that the buyer remembers his name, his company and his line. The common ritual of approach on follow-up interviews, Mr. Norton found, is something like this:

"Hello, Mr. Standifer. . . How are you? . . . Rotten weather, isn't it? . . . How's business? . . . Anything in my line today? . . . O.K., have a cigar. . . Keep us in mind, won't you? . . . So long."

As the salesman walks out of the door the buyer is probably thinking:

"Who the devil is that fellow? Seems like I remember him faintly, but there's so many of 'em I can't recall his name. Why does he have to ask me how I am? That's 32 times today, by actual count, that I've answered that question. To tell the truth, I'm not feeling so good. And doesn't he know I don't smoke cigars?"

It's perfectly human for a man to take it for granted that people whom he has met once will thereafter remember him. But it's expecting too much, especially of a buyer, who may interview one salesman after another for a whole day. The safe course is for the salesman to repeat his name, his company and what he sells, until he is sure it has registered.

Mr. Norton's study of the salesman in action prompts him to utter these warning "Don'ts" on the etiquette of approaching His Majesty, the Buyer:

1. Don't fail to repeat your name and connection.
2. Don't ask, "How are you?"

3. Don't apologize for being there. (A sure clue to the buyer that the salesman is easy to shake.)
4. Don't ask, "How's business?"
5. Don't mention the weather.
6. Don't bring up war or politics.
7. Don't digress from a straight-line presentation.
8. Don't forget to use eye-appeal. (About 90 per cent of the salesmen observed walked in barehanded and relied entirely on words to get the order.)
9. Don't overlook leaving reference material (price confirmations, folders, catalogs, samples, etc.).
10. Don't overstay.

Yes, there are also several things the salesman must *do*, but they won't help if he misses too many don'ts.

Counter-Jumpers to Salesmen

PROBABLY the worst selling perpetrated anywhere is in retail stores. In fact, much of it was so bad until recently that it was considered a libel on real salesmen even to class the work of most retail clerks as selling. But that situation is changing very decidedly. One of the reasons is intensive training like that of the Iowa Retail Hardware Association.

Phil Jacobson, secretary of the association, has been conducting a series of one-day schools in Iowa towns for hardware dealers and their salesmen. His method is to study the merchandise, on the theory that every item in a hardware stock has as many as five selling points. Salesmen are drilled for a day on these points in the case of typical articles, and how to present them to a customer. Mimeographed leaflets on each article analyzed are distributed to all who attend the sessions. Afterwards the dealer members are encouraged to display one special each week on a table marked "P.S." (profit saver) and to have their clerks make ten demonstrations of its use. Results of this plan are reported to association headquarters. Seven out of ten demonstrations end in sales of the featured items.

Owing to these efforts, most Iowa hardware clerks can tell a customer the difference between a 60 cent hammer and a \$1 hammer, aside from the 40 cents.

The grocery trade has been conspicuous in liquidating the know-nothing retail salesman. This dialogue from Safeway's house organ, *Uno Animo*, recently exposed the shortcomings of the old-style, weigh-'em-up, "What else?" grocery man:

Customer: What's the difference between whole-kernel and cream canned corn?

Clerk: It's just the way they pack it.

Customer: Which is best for corn soup?

Clerk: Either one; they're both good.

Most housewives wouldn't need to ask these questions but, when a new bride or a summer bachelor comes along, your modern grocery salesman has the answer without a stutter. The National Association of Retail Grocers is supplying just that training in its vocational education program. Inexperienced grocery employees are considered in the beginning as apprentices. As they progress in their study of eatables they are advanced through five grades to the professional rating of "Graduate Grocer." A Graduate Grocer is supposed to know his onions. He *does* know them.

Some 5,000 grocery employees are enrolled for this training, according to a recent report by the National Grocers Institute.

For years the department stores have been developing counter Mona Lisas into saleswomen. Clothing may have more than five sales points. Take corsets, for instance. You'd be surprised how many points they have. The corset saleswoman must know all about such things as diaphragm control and accented waistlines. Her job, in the words of Pearl Berry in *The Bulletin* of the National Retail Dry Goods Association, is to make the "40 and upward" customer ("40" both in bust and years) "feel that she no longer is a problem child but a beautiful figure of womanhood which needs only the sufficiently interested and skillful corsetière to appreciate her possibilities." That is what is meant by applying psychology to selling.

Store sales training is not an easy matter, even if buyers do "Come and get it" and thus reverse the hard procedure that outside salesmen must follow.

The perfect retail salesman would have



to be a portable encyclopaedia to know all about some stocks. A store such as Sears Roebuck's at Bethesda, Md., carries on its shelves 25,000 items. There are others that would multiply this figure many times.

Books for the Millions

PASSENGERS aboard the Dixie Clipper on its first commercial passenger flight across the Atlantic found reading matter to compete with clouds and seascape for their attention. The Clipper's library was a set of the first 10 Pocket Books published by Robert de Graff of New York. "Pocket Books" is the most recent effort to promote the sale of good books at the price of a magazine. The idea has long been popular in Great Britain but American publishers who experimented with it usually had a propaganda axe to grind for social reform. Mr. de Graff's first list of titles seems to indicate that he is not an axe grinder.

—FRED DEARMOND

Business Men Say . . .



**Raoul E. Desvernine, President
Crucible Steel Company of America**

"The greatest enemy of all business is uncertainty. Man can learn to fight Man; but he does not know and can never learn how to cope with a ghost."



**Roger D. Lapham, Chairman
American-Hawaiian Steamship Company**

"Class me as a prejudiced reactionary if you want to—but I am enough of a realist to believe our national maritime policy is a mess today, and will be a worse mess tomorrow. We are planning a merchant marine well in excess of our commercial and economic needs and in excess of our legitimate national defense needs."



**Frank H. Dewey, Gar Wood Industries
President, Oil Burner Institute**

"We encourage members of our industry to make known their views to their elected representatives in a frank and above-board manner. We make no apologies. We would feel guilty of negligence if we failed to take action."



**W. C. Mullendore, Executive Vice President
Southern California Edison Company**

"We hear much today of security—so much that apparently many have been led to believe that the end and aim of life is mere physical comfort. If this were true, if man were content only with the satisfaction of his physical wants, he should live happily as a slave under a humane master."

Washington and Your Business

Story About a Money Master

A MAN tried to borrow \$40,000 from the R.F.C. Jesse H. Jones draped one leg over his desk.

"Nope," he said. "Can't lend you \$40,000 on your story. You wouldn't pay out. I'll let you have \$300,000 instead."

He did and the debtor paid. Jones had been able to see further into his business than he could himself.

Jones Will Be Jones

NO ONE doubts that Jones knows his business. There are other men in the R.F.C. but the R.F.C. is Jones. Now and then the brightest lights in the New Deal have tried to tell

him how to handle his affairs and have been turned down. When Jones was made the lending head of the spending agencies some people shook their heads:

He has been demoted. Carmody is to be the real boss. Jones is respected by the men nearest the President, but they never ask him to go fishing.

Mature consideration has dissipated this fear. Present judgment is that Jones is rated more highly on Capitol Hill than any other man in the Administration. Maybe Hull runs a close second. That is a matter of prime importance in these days, when even the springiest congressman is beginning to worry about debt and taxes.

Carmody Is a Table-Hitter

JOHN M. CARMODY, née Rural Electrification Administration, can spend the money if Jones lends it to him. Carmody left no fragrance of violets behind in his dealings with

Congress. It was a lucky congressman who got in to see him and talk it over. When he rebuffed one of the legislators the jolt could be felt in the next room.

Brick-Bats by Wire

CARMODY belongs to the Harold Ickes School of Expression. When either makes a gesture there's a dornick in it. Carmody wrote a letter to the regional chiefs of the

R.E.A. not long ago, warning them that he would stand for no finagling on contracts. No after-thoughts or extras. Maybe some one had been trying to put something over:

"That was all right," said one of the chiefs. "But the way he said it would have made Uncle Tom lick Simon Legree."

Worms in the R.E.A. Apples?

CARMODY'S high-volt vocabulary has not been a secret, but it has been assumed that he was probably justified. Many farmers have kicked and bitten when subjected to R.E.A.'s

caresses, and reports have filtered into Washington of local operations of a character that almost invited a congressional inquiry. This experience may prove useful now that the R.E.A. boss has been promoted to the big time.

What's Plural of "Census"?

LINE is forming on the left—no political pun intended—for 1940's census jobs. About 130,000 census enumerators will begin ringing doorbells about April 1. Dr. Isador Lubin

gave the T.N.E.C. what appeared to be a fairly compre-

hensive look at the housing situation but there is reason to believe that a housing census plan is on the fire. Another unemployment census is being considered. Some kind of a door-to-door inquiry into insurance has been suggested. Thurman W. Arnold, A.A.G., is drafting searches of the building industry and trade associations. There is an F.P.C., but Harry Hopkins wants an extra staff to make a new inquiry into the utilities. Something like 150,000,000 forms are now being filled annually.

Dainty Dish to Set Before King

INNER circlers make it clear that intent of T.N.E.C. inquiry into insurance is to establish their favorite conviction that the men controlling the insurance companies "have too much power." No ground has been gained in the attempt to discredit the business methods of the companies. The plan, stated plainly, is to transfer the control of the insurance billions to the Government. No suggestion has been made that the policyholders be asked about it.

Mr. Byrd Again Wants to Know

NOT every one is satisfied with the manner in which the Government has been managing its own corporations. The Senate adopted the resolution offered by Senator Byrd, directing the Secretary of the Treasury to provide information "with respect to the financial affairs of certain corporations, not available from the records of the Government." He named 30, including such operations as the R.F.C., the C.C.C., Fed. Credit, Export-Import Bank, and so on. He wants to know the assets, liabilities, outstanding loans, revenues and expenditures, loans in default, uncollected accrued interest—everything which a stockholder might wish to know about the business.

One Horrible Example Here

THERE is, for instance, the case of the Inland Waterways Corporation. It is estimated that about \$908,000,000 of public money has been invested in the Mississippi River system alone, not inclusive of flood control spending. If the Corporation had paid the excessively low interest rate of two per cent it would have cost the taxpayer about \$800,000 more annually than the difference between the waterborne and railroad freight charges. Not to speak of the taxes the railroads pay and the river system does not.

Short Look at Tax Burden

the Social Security tax and form filling became so unendurable that the four were discharged and the type-writing turned over to a company at a saving in cost and trouble. No moral attached.

Whose Ox Will Be Gored Next?

THIS item is of chief interest to the four girls who lost their jobs. They were employed in an office known to this department to do typewriting and other things. The annoyance of the four were discharged and the type-writing turned over to a company at a saving in cost and trouble. No moral attached.

ONE cynic on Capitol Hill thinks that a sort of mass ox-goring has been going on during the session of Congress. Congress, says he, does not like the President any more. Therefore, it has given him more trouble than during the

six preceding years. It has, however, in spite of its penitential vows of economy, spent something like \$1,500,000,000 more, while the Government's revenues have decreased by \$500,000,000.

"That," said he, "is a nifty bit of goring. The Roosevelt Administration will be blamed for the extravagance and Congressman Wilbur Elmer will be given credit for the new bridge over Hosshead Creek."

Much the same reasoning, he thinks, is in progress in the White House. In that elegant mansion it is thought that when the party is over it will be the wilful congressmen who will pick up the check.

Is the House One of Cards?

REPORTS continue to dribble in that small business men are omitting to keep in good standing with Social Security on the theory that there are so many of them that Soc. Sec. can hardly do anything about it. Story as yet not subject to check. May be quite untrue that 4,000 in Chicago are omitting to keep books or collect the tax from their employees and are, so to speak, twiddling their fingers at their governmental bosses. As Mr. Thurman Arnold, assistant attorney general, said the other day:

"You can't police America with a corporal's guard."

President Karl T. Compton of the M.I.T. told the alumni of that institution that: "The whole structure of Social Security and high standard of living may fall like a house of cards. This danger is, I believe, very real."

Toll Roads Not Wanted

AT the time of writing it is not regarded as probable that Capitol Hill would, under any circumstances, accept the presidential suggestion that toll-roads be built as one of the "self liquidating" bases of his proposed \$3,000,000,000 lending scheme. It took the country long enough to get rid of toll roads back in the horse and buggy days. One such road has recently been built between Connecticut and Westchester, N. Y. It is a luxury highway, but the outcry against it indicates that the tolls will be taken off one of these days and the cost put back on the shoulders of the taxpayers. The President also suggested hospitals as "self-liquidating" projects. If there is a hospital in the United States which pays a profit the fact is not known in this corner.

Mr. Woodrum Spoke Out

PAGE 11,684 of the *Congressional Record*. Mr. Woodrum of Virginia, (D), is speaking:

I hold in my hand a book, written by writers on the Federal Writers' Project on off-time, and bearing a foreword of approval by Mr. Henry G. Alsberg, National Director of the F.W.P. I will not give you the name of the book because I do not wish to advertise it. On the fly leaf are advertised other books: "Moscow in 1937," "Changing Man, the Soviet Education System," "Spirit and Structure of the German Fascism," the "Revolution in Mexico." If you had this book you would hide it lest one of your children read it. The leading article in it is by a negro W. P. A. writer, who depicts his experience in a low hotel habituated by men and women of questionable character—I might be expelled from the House if I read some of the rot in that book. And it is approved by the W. P. A.

"Don't Bite On a Live Wire"

Reasons assigned are:

The Board has promised to be good. Or at least careful. Employers have been afraid to challenge N. L. R. B. John L. Lewis losing ground. Not so dangerous. Let's think it over a little longer. There's an election in 1940.

Monthly Mention of T. Corcoran

HE HAS been licked in his proposal that the Government seize control of key utilities under guise of a Make America Safe movement. The utilities may borrow from the Government if they wish, but no direct investment of government funds will be made. That's definite.

One of Those Queer Things

THEORY has been that the S.E.C. has quite enough business before it to keep its members busy. It appears, however, that among those earnestly urging on Congress a plan for insuring business loans the banks are afraid of, extending direct long term loans to business, or buying outright bonds and stocks of needy companies, are Jerome Frank and Leon Henderson, both of the S.E.C. Supreme Court Justice Douglas, late of S.E.C., also helps.

One Thin Note of Optimism

GORDON DEAN heads the staff of 30 lawyers who are to bear down on the building industry for the Justice Department. Dean has not only been an assistant attorney general but handled press relations for the J. D. Reporters rated him as fair and able. The rather vague plan of the new housing campaign seems to be to work up sentiment against builders for not building cheap houses for those who cannot afford to buy them.

O'Mahoney Says It Isn't So

CRITICS of the T.N.E.C. have been saying that the cards have been stacked against industry in the management of the hearings. Senator O'Mahoney says it isn't so.

We have been conducting our inquiries as objectively as we know how. Our only aim has been to get at the facts. The oil industry was set down for a hearing in July, but when the industry told me it could not be ready the date was moved forward to August.

That was fair enough.

No one would question Mr. O'Mahoney's statement. It is to be assumed that the judge on the bench is always fair. Sometimes, though, the prosecuting attorney uses a little third degree before the case gets to the court.

Just A-Trying to Get Along

OVER at the Wage-Hour administration they say that the recurring rumors that a fuse has been lighted under Elmer Andrews simply are not true. The only worries of the W-H, they say, is that there isn't enough money in the till. Other departments have hidden holdovers from previous years and when they are denied all the money they want they can go to the tea caddy and take out a little silver:

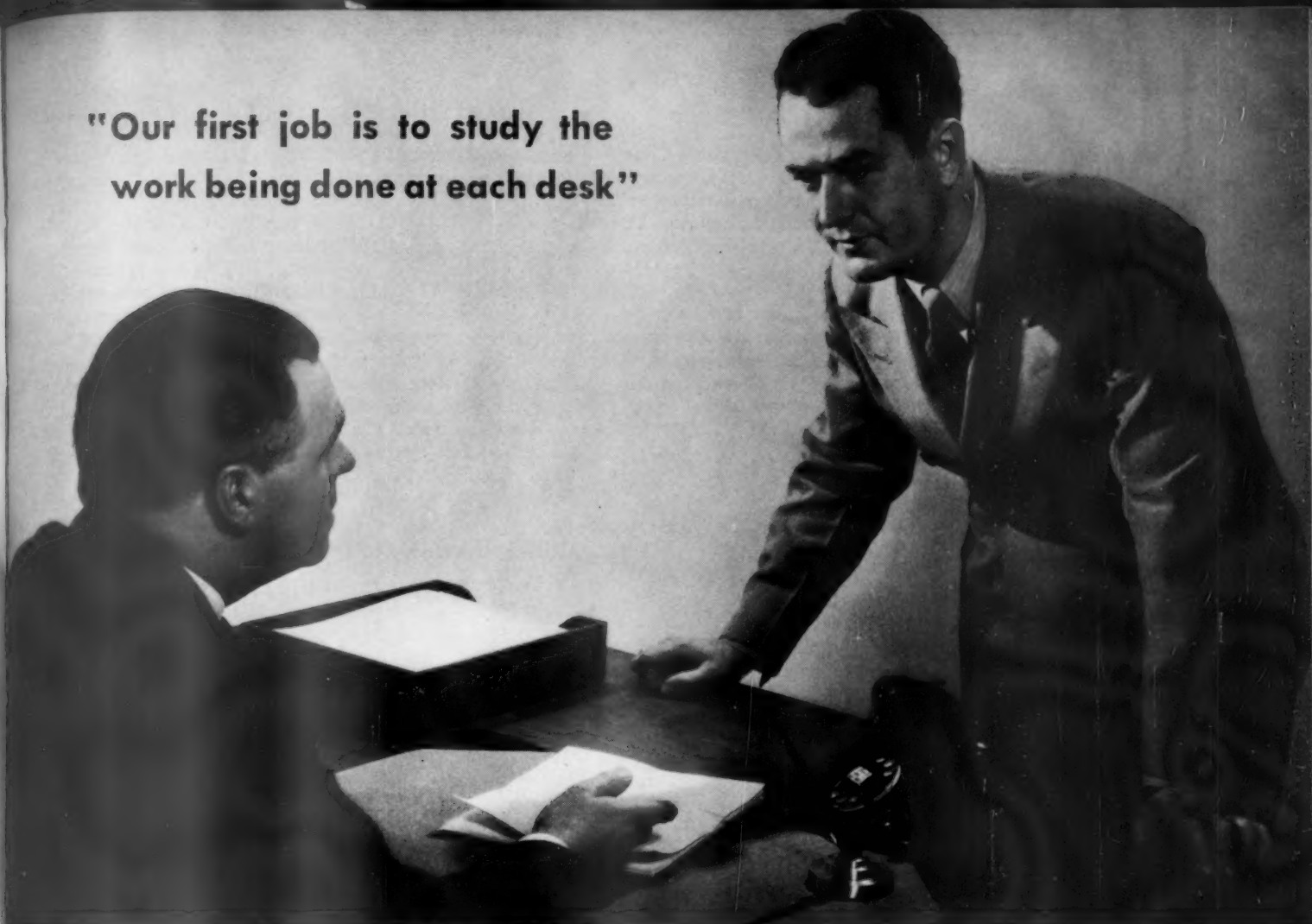
"We have to make five dollars do the work of five dollars," say the mourners. "No backlog. Not even a sliver."

The W-H has only 120 inspectors and they are thousands of complaints behind the calendar. No day has more than 24 hours, they point out. Of the 23 lawyers in the Administration 14 are writing opinions and only seven are handling cases in court. They are so far behind that the situation is simply funny. Otherwise everything is perfectly sweet.

Patman Gets the Red Light

THE Patman bill, which was designed to tax the chain stores out of existence, has been postponed until the next session. Most congressmen seem to think the postponement is forever. The supreme courts of Kentucky and Pennsylvania have declared discriminatory taxes out of bounds,

"Our first job is to study the work being done at each desk"



To solve the Hours Problem in the office eliminate these handicaps

EXPENSIVE BOTTLENECKS If any department or individual is obliged to be inactive when work "clogs" at some other point, the cause of the bottleneck should be discovered. A slight change in equipment or routine may insure a more even flow of work.

ANNOYING PEAK PERIODS If sales, purchases, costs, and other figures are merely recorded from day to day, peaks arise when employees must rehandle the figures to write customers' statements, take a trial balance, analyze accounts, or complete statistical reports. Recent machine developments make it possible to iron out peaks by eliminating costly rehandling of figures.

UNNECESSARY DUPLICATIONS Duplication of media or records in a separate operation takes time and creates the possibility of errors. If unproductive intermediate steps are required to fit the work to the present machines or system, investigate "direct-to-final-results" methods.

NEEDLESS OPERATIONS Studying the work at each desk may reveal how a few short-cuts would save thousands of needless operations on your figuring, form-writing and statistical work.

Burroughs will be glad to help you make a desk-to-desk survey of your present office routine. Call your local Burroughs office, or, if more convenient, write direct to—
BURROUGHS ADDING MACHINE CO., 6008 SECOND BLVD., DETROIT

SEND FOR THIS BOOKLET!

For the executive concerned with the problem of conserving clerical hours, this new booklet contains many specific suggestions for re-adjusting office routine. Send for your free copy.

Burroughs

and the United States and the Colorado Supreme Courts have ruled that voluntary associations of retailers using a common name, etc., come under the chain store acts, which were planned to affect only corporate chains. Producers, too, have protested against interference with the outlets offered by the chains.

Egg's Laid: Will It Hatch?

people who are on relief:

Working out very well. Likely to be extended to include cotton.

In answer to specific inquiry he said that:

The plan is promoting higher food consumption by the relievers and is diminishing food surpluses. Its effect on sales of directly competitive products is negligible. Producers are receiving larger returns and it is likely plan will be extended to persons receiving low incomes but not on relief. There is almost no misuse of the food stamps.

Reports are being made on the operations of the plan almost daily. So far, so good.

Add This to Soc. Sec. Fund

PROFIT sharing is urged in a staff report made to a subcommittee of the Senate Finance committee. Nothing is said about loss sharing. Of 9,000 companies now operating some form of employee benefit and welfare plan, 728 with an average net worth of \$39,000,000 are now using profit sharing plans. The staff report states that the total losses caused by labor disputes from 1933 to 1937 were \$7,117,000,000:

"What is the cost of profit sharing as compared to this?"

The suggestion is made that "United States Government Profit Sharing bonds" be issued to protect fund investments and that payments to such a fund be exempt from income tax. Outsiders have been deprecatingly quoting what the Psalmist might have said: "Of the making of bonds there is no end."

So They Are On a Spot

HARTLEY Wade Barclay has been conducting an inquiry into the cost of fighting a case before the N.L.R.B. The experience of 76 companies in 28 states is that the average was \$20,572. This is approximately 40 per cent of the assets of 54 per cent of American corporations.

"The N.L.R.B. denies the right of free trial and imposes only the alternative of economic suicide."

Tax Rebellion by La Guardia

MAYOR La Guardia of New York, President of the Conference of Mayors, told the House committee on Ways and Means that the cities simply cannot stand it if they are not permitted to issue tax exempt bonds:

"If you put any more burden on real estate it will crash," he said.

Some of the committee members remarked that La Guardia has been a fervent advocate of burdening the federal Government so that more money may be given the cities. They asked each other how long it will be before the federal taxpayer crashes.

There's a Good Story Coming

ONE of these days Attorney General Murphy will release his discoveries about referees in bankruptcy and the green pastures in which they have been grazing. He does not like the present system and if he has his way they will

be put on a career basis. There is too much gravy now, he thinks, and too many politicians have too big spoons in it.

Soc. Sec. Seems to Backfire

THAT pay roll tax of the Soc. Sec. is creating some colossal headaches on Capitol Hill. It has recently been figured out that in not so many years it will amount to ten per cent on the pay rolls covered. That means more machines and fewer men at work. That means more money will be needed to support those unemployed. There are pessimists on The Hill who think we may be compelled to lessen the tax on industry so that more men may be able to work and save their own money. But they do not see how that can be done.

Mice Played in This Granary

QUEER things happen. Senator Norris's bill giving the earth and the fullness thereof to the T.V.A. was amended by the House at the instance of Representative May and was sent to conference.

If the so-called May bill becomes a law it will apply a yardstick to T.V.A. for the first time.

It will be compelled to pay the same taxes and interest that a privately owned corporation does. If T.V.A. loses money "power users shall pay enough for their electricity to offset such losses." The House demonstrated its intention to get the T.V.A. out of the clouds of glory and down to a business basis. But—this is the funny part—at the same time the Rivers and Harbors bill became a law, in which six new hydro-electric projects were practically concealed. The Government's first cost will be \$105,000,000.

Remember Fable of the Camel?

ON Capitol Hill they say that Adolph Berle is largely responsible for the air-conditioning the presidential spend-land plan has been given. Mr. Berle had hardly ended his admission to Congress that:

The more the government gets into business, the more nearly do we approach a socialistic state—

when a new plan for putting \$3,000,000,000 more into private business was launched. It is the purely personal opinion of this corner that nothing much will happen to the spend-land plan this year and less than that in the next session.

Isn't This Socialism?

NOT likely the Lee bill will pass the House this year, but it will be right in the middle of the 1940 tumult. It has already gone through the Senate.

It permits the Government to give three per cent bonds to owners of defaulted mortgages for the sour paper. If this is not a move toward wider government landlordism, what is it?

Dope On the Third Term

OFF-SIDE observers, not New Dealers, rated as fairly calm during the hot weather, are beginning to think there is solid muscle behind the talk of a third term. They do not expect a definite pronouncement until early in 1940. They point out that the early bloomers seem to have encountered a presidential frost. Theory is that this is precursor to a "general demand."

Herbert Corey



If you had a Million

WE ALL LIKE to dream about what we'd do if we had a million dollars.

But suppose you really *had* a million dollars. How would you safeguard it, over the years, for yourself and your family to enjoy.

Knowing that there is no such thing as an absolutely "riskless" investment, how would you invest this money with safety to provide a satisfactory return?

We think you'd try to do just what a life insurance company does. Among other things, you'd try to follow, as far as possible, the wise principle of diversification. You'd "put your eggs in many baskets."

Unfortunately, even with a million "eggs," the chances are you couldn't follow this principle far enough—nor would you find it easy to investigate properly the many relatively small investments you would have to make.

But a life insurance company like Metropolitan, holding many millions of dollars for the benefit of its policyhold-

ers, *can*, and *does*, do everything possible to help safeguard its investments...

To begin with, in selecting the avenues of investment which lie open to it within the limits established by law, Metropolitan compiles a mass of financial and economic information... then weighs it, thoroughly. The placing of every dollar is carefully checked by a staff of investment specialists, each an expert in his particular field. And each investment, after it has been added to Metropolitan's portfolio, is subject to constant study and analysis.

Because the interest this money earns has a very direct bearing on the cost of life insurance to the policyholders, it is important not only that these funds be invested conservatively, but also that they bring in a reasonable interest income... thus holding down the cost of insurance.

Finally, with so many dollars to invest, the company can take full advantage of the safety that lies in diversification. Thus, the dollars which Metropol-

itan invests are spread over many different types of sound investments, and in practically every section of the country.

At the end of 1938, Metropolitan held more than 100,000 carefully selected, diversified investments... reassuring evidence that the company makes every effort to achieve maximum safety for the funds it invests for the benefit of its policyholders and their beneficiaries.

COPYRIGHT 1939—METROPOLITAN LIFE INSURANCE CO.

This is Number 16 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements will be mailed upon request.

Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker,
CHAIRMAN OF THE BOARD
Leroy A. Lincoln,
PRESIDENT

1 MADISON AVENUE, NEW YORK, N. Y.



Leaders in the March of Business



Frank J. Gavin



Charles S. Davis



Chas. Nash
(left), George
W. Mason



Edward G. Seubert



Fred P. Voss

AFTER spending 42 years in the service of the Great Northern Railway as clerk, timekeeper, trainmaster and superintendent, Frank J. Gavin was recently named executive vice president. His company's 50th annual report disclosed that 1,000 new freight cars, 14 Diesel switching engines and \$6,500,000 worth of steel rails have been added to the company's equipment in recent months.

Charles S. Davis, president of Borg-Warner Corporation, long a leading factor in the automotive and house appliance industries, announced his company's entrance into the aviation field with the purchase of the Pump Engineering Service Corporation of Cleveland, which manufactures fuel, vacuum, anti-icing and other pumps used in airplanes.

Edward G. Seubert, president of the Standard Oil Company of Indiana, whose company celebrated its 50th anniversary last month with all-day picnics and dinners attended by 50,000 employees in 13 mid-western states. The company was incorporated in 1889 with capitalization of \$500,000. At the end of 1938 its assets aggregated approximately \$725,000,000.

George W. Mason, president of Nash-Kelvinator Corporation, started a selling campaign last year by personally ringing 14 door bells in search of customers. At the National Federation of Sales Executives convention last month, his company was awarded the Howard G. Ford Trophy for its "outstanding achievement in sales management and contributions to the field of distribution for 1938."

In his 63rd year of duty in the household washer field, "Uncle Fred" P. Voss of Davenport, Iowa, begins his factory day at 8 a. m. and is designing a new model for his company. He is now 80 years old and president of the Voss Brothers Mfg. Co. with whom he has been associated practically all of his business career.



More
"BRASS TACKS"
 Concerning
**COMPTOMETER
 ECONOMY**

To paraphrase a proverb: "The proof of the Comptometer is in the saving." We offer herewith another group of "brass tacks"—organizations *handling all their figure work on the Comptometer* and thereby achieving substantial economies in time and money:

BARRETT ELECTRICAL SUPPLY CO., St. Louis, Mo., uses two Comptometers. *"Comptometer bookless bookkeeping and other Comptometer methods save us about \$800 each year, and fill our figure-work requirements 100%."*

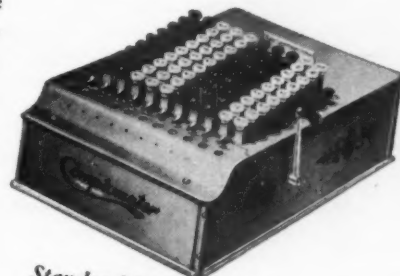
DELS CAMP PAINT & GLASS CO., Dayton, Ohio, uses two Comptometers. *"Our Comptometers enable us to save approximately \$1200 yearly. The Comptometer's accuracy safeguards make this machine indispensable to us."*

EDWARD F. HICKEY'S SONS, INC., Winsted, Conn., uses one Comptometer on nine classifications of work. *"We find our greatest savings in the first-time accuracy made possible by the Controlled-Key feature . . . in all, 'Comptometer economy' saves us more than \$1000 per year."*

CARLSON ROOFING CO., Rockford, Ill., uses one Comptometer. *"This machine saves our Company about 100 hours annually . . . especially useful in payroll and cost work."*

To learn exactly how Comptometer methods can save money for your firm, telephone your local Comptometer office for a demonstration—in your office, on your work.

Or, if you prefer, write direct to Felt & Tarrant Mfg. Co., 1712 N. Paulina St., Chicago, Ill.



Standard Model J Comptometer

COMPTOMETER

REG. U. S. PAT. OFF.

Do You Deserve a Raise?

By GELETT BURGESS

LET US ASSUME that you know your job. You are speedy and accurate. You don't scamp, loaf, shirk or bellyache. And yet you don't get a raise. Perhaps you have seen others, no more efficient than you, apparently, forging ahead while you stick at the same old grind and the same pay. Influence doesn't always account for it. What have those lucky chaps got that you haven't?

Promotions often depend upon other things than mere professional ability. Isn't it possible that you ignore or have neglected something lacking in you?

Here is a sort of brief self-examination that may help you solve your problem. In these questions you may find some directions, mental, physical or personal, in which you might make yourself more valuable to your employer.

The Mental Telltale

1. What do you think about while you are shaving, or dressing, or in bed before you go to sleep?

In such moments of relaxation your subconscious mind is likely to reveal what it is that *really* most interests you—your hidden desires and secret ambitions. If you think mainly of pleasure, pleasure will rule your life. But you're not likely to be promoted unless that is what you want *more than anything else in the world*, and you're thinking about it most of the time. To that ambition all else should be kept subservient. Worrying in bed is disastrous to work and to sleep; but a calm planning of your next day's work sets your subconscious mind to work, and if you formulate your case clearly, your "sub" will often solve your problem for you, while you sleep.

2. Your spare time is a part of your capital. How are you investing it?

If you don't grow mentally, you grow old and set. A general education stimulates and develops mental activity and power which can be applied to your special job. You often hear a person say, "Oh, if I had his education I could make something of myself." But is your spare time spent mainly in amusement? Lincoln wasn't the only man who studied alone. Many of the most successful men are self-educated. There are libraries at your disposal, night schools, correspondence courses, university extensions. Enlargement of your cultural horizon brings vision and perspective to your work. One hour's study a day on any subject would increase your mental capital.

3. Do you know how to ask questions?

A healthy curiosity is the basis of all knowledge. It has produced art, science and commerce. When you talk, you learn nothing. You merely repeat what you already know. You learn by listening, if you listen to the right people. Almost any one will help you to learn what he can teach if tactfully approached. Never have a conversation with any one without getting some information from him.

4. Do you know how to observe?

We don't see all we look at. We don't observe all we see. We don't study all we observe. We don't digest all we study. Know first what kind of things will help

your development and then look for them. Observe other workers in your line. Learn both from the efficient and the inefficient. Both can teach you.

FROM office boy to vice president, every one feels that he is overworked and underpaid. But, though the urge to ask the boss for more money is universal, the reasonableness of the request is frequently open to doubt. Appraisals of worth are ruled as much by a sixth sense, perhaps, as by precise rules. Here are some questions which employers and employees might use to good purpose in rating those who ask advancement

5. What do you know of your field beyond your own daily work?

Every occupation has an atmosphere surrounding it, and invisible currents and temperatures affect its commercial weather. Sources of supply, processes of manufacture, advanced techniques, different sales processes, competitive attack—all these influences must be understood if you would become an authority in your line and so deserving of promotion to a higher field. The nose-to-the-grindstone worker who sees only his own wheel in the business mechanism stays where he is. Physicians, engineers, artists, read their trade papers and are familiar with others' work; they get to know their competitors, or, more properly, their confreres. Have you made friends with others in your line of work? That offer of advancement may come from outside, if you prove yourself to be an all-round, not merely a specialized "hand."

6. Have you studied the duties and problems of the one next higher up, and of other positions in your concern?

A good lieutenant is always expecting to become a captain. Can you step into the shoes of your superior? With tact and patience you can familiarize yourself with his duties without arousing his suspicion that you are trying to get his job. Discreet questions, offers of aid, making him your friend, will give you opportunities for fitting yourself for promotion.

7. Do you know how to learn from failure?

Progress isn't always all uphill. There are often valleys to descend, on the way. A failure should be a valuable lesson in success. If you analyze it you may find out something that you could have learned in no other way.

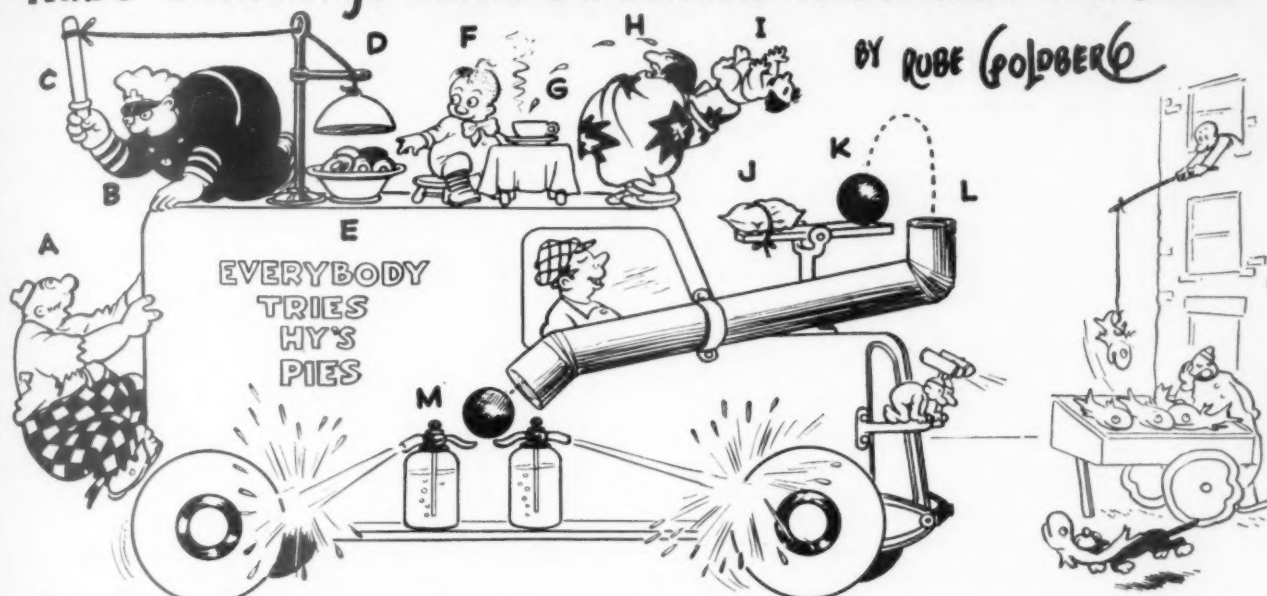
8. Do you keep records or trust only to memory?

Diaries, even the baldest records of happenings, are often vitally important. Many a difficult question has been answered by knowing the exact time and place. Don't try to keep unessentials in your head. Make notes of them. Note books, intelligently kept, permit you to refresh your memory of necessary details. Addresses, names, sketches, diagrams, figures, titles

NATION'S BUSINESS for August, 1939

Rube Goldberg's TIRE COOLING Invention No. 3729

BY RUBE GOLDBERG



TRAMP (A) STEALS RIDE—COP (B) TAKES SWING AT HIM WITH CLUB (C), CAUSING STRING TO LIFT LID (D) OFF BOWL OF DOUGHNUTS (E)—BOY (F) TAKES DOUGHNUT AND DUNKS IT IN COFFEE (G)—HOT COFFEE SPLASHES IN EYE OF INDIAN SQUAW (H), CAUSING HER TO LOSE BALANCE AND DROP PAPOOSE (I)—PAPOOSE FALLS ON PILLOW (J), TOSSEING CANNON BALL (K) INTO STOVEPIPE (L)—BALL ROLLS THROUGH PIPE, HITTING HANDLES ON SYPHONS (M), SQUIRTING SELTZER ON TIRES, COOLING THEM QUICKLY! P.S. DON'T WORRY—PAPOOSE LANDS SOFTLY AND IS NOT HURT.

**BUT HERE'S
a PRACTICAL
invention!**

**See How New Goodrich
Silvertown Truck Tire Protects
Against Hot-Weather Blow-Outs**

•It was the biggest load we ever heard of—101 tons! Altogether, including truck and trailer, 135 tons of dead weight ready to break the backs of the tires. You need more than a Rube Goldberg invention to keep tires cool on a job like this. But they didn't have any trouble. Moving a gigantic transformer is just part of the day's work for this operator of 215 trucks.

We hear plenty of such stories of extra-heavy loads, of tire-burning speed runs. And the reports show that on many of the toughest hauls on record, where tires had been blowing out prematurely, Goodrich Silvertowns ran two and even three times longer than the best rubber used before!

GET EXTRA MILEAGE

Yes...there's plenty of proof that the amazing cord invention built into these new Goodrich Silvertowns holds heat in check. Licks 4 out of every 5 premature failures! Adds thousands of miles to the life of the tires!

If your trucks carry heavy loads or highball over the highways, you'll be surprised at the huge year-round savings of these cooler-running tires. But maybe yours is just an average operation. Then remember: during hot weather "blow-out" heat builds up faster than ever in truck tires. You need Goodrich Silvertowns—right now!

And why do these tires run cool? Because of Hi-Flex Cord, a new type, compact cord which is stronger and more elastic. It retains its strength and its elasticity throughout the life of the tire. Because it is more compact, it is possible to build a less bulky tire—a cooler-running tire.

SEE THE GOODRICH MAN

Ask the Goodrich dealer to show you the remarkable demonstration of Hi-Flex Cord. He will be glad to give you, also, a dollars-and-cents estimate of how much Goodrich Silvertowns will save you... There's no extra cost for Hi-Flex Cord and the other features of Triple Protection.

READ WHAT TRUCKERS SAY

VIRGINIA—"Our truck tire costs have been reduced at least 50%. We attribute this fact to the construction of your tire, which seems to resist heat."

MISSOURI—"I put 10 Goodrich Silvertowns on one of my rigs. The four I put on the drive wheels were taken off at 87,452 miles and put on the trailer and are still in good condition."

ALABAMA—"...This set of tires ran us between 70,000 and 80,000 miles. We attribute the extra long mileage to your new type cord which permits the tires to run cool."
(names on request)

**BUILT
WITH
HI-FLEX
CORD**

Goodrich Triple Protected **Silvertowns**

SPECIFY THESE NEW SILVERTOWN TIRES FOR TRUCKS AND BUSES

and condensed information of all kinds are often valuable for reference. They will enable you to make better use of what you learn or observe, by making your knowledge accurate and specific.

9. Do you cultivate your imagination?

Every occupation involves giving and receiving. The doctor serves his patient, the merchant his customer, the salesman his purchaser, the author his reading public. Imagination enables you to put yourself in the place of the other party to the bargain. Only by understanding his needs, his likes and temperament can you fit yourself for promotion. The employee must study and understand the character of his employer and adapt his conduct accordingly. If you aren't given a raise you must try to understand exactly what you do not give that is wanted.

10. Are you a Type, or an Original?

Almost any occupation is likely to produce its typical look and characteristics. You can often recognize a clergyman by his air, a hostler, a crook, a waiter, even a scholar of the introspective kind. But such types do not progress; they stay in the same rut till routine has worn them to the same smoothness. Advancement requires originality. It needs initiative and boldness to supersede rules, and plan improvements. If you are getting that typical look and manner the only way to get rid of it is by developing your particular talent to the utmost. It isn't the average man who is promoted, it's the exceptional one.

11. Do you obey the Talker's Decalogue?

Many a man has talked himself out of a job or out of promotion. The fundamental principles of good talk apply as well to commercial as to social life. They are:

- I. Keep on the track and don't complicate with irrelevant details.
- II. Don't fail to call a speaker back to the main topic when a diversion has been reasonably made.
- III. Don't interrupt. Don't wisecrack in a serious talk.
- IV. Don't make general statements that are the result merely of your own personal experience.
- V. Don't mistake your prejudices or preferences for reasoned opinion.
- VI. Admit opposing views if proved. Don't try to convince, try to get the truth.
- VII. Don't speak dogmatically unless you are sure of your facts.
- VIII. Don't misuse analogy. The radio and cosmic waves don't prove the existence of a future life.
- IX. Try always to illustrate generalities with specific examples.
- X. Keep your voice low and slow and you are more likely to convince than is a high-voiced, fast talker. In short, the secret of earnest talking (which is not mere conversation) is to remove all emotion from your voice and use your brains only.

The Physical and Personal Telltale

IT IS OBVIOUS THAT, other things being equal, personality—appearance and habits—has much to do with promotion. Naturally employers prefer to have engaging men and women as associates in business, just as they do in social life. Unfortunately many people are likely to consider the quality of attractiveness as fixed and unalterable. You have it, you think, or you don't. Of course you can't change your fundamental character, but many of your personal characteristics may be altered, suppressed or improved. Perhaps you should go to work on details which you have considered unessential.

A good test of your personality is whether or not you would be presentable, worthy and unembarrassed if invited to dinner with your employer's family. First, your physical condition.

1. Your health is a part of your capital. Is it insured?

You insure your health by understanding the ways to protect it. It is a part of the service you give your employer because it guarantees reliability. It ensures your being fit and on the job regularly. It cannot be left to chance and common sense. If you want to run your human machine efficiently and economically you should know first how to stoke the engine. That involves a knowledge of the primary principles of modern dietetics. The modern laws of hygiene must also be known and followed, as well as the effects of stimulants and excesses, the need for sleep and rest. Your knowledge must be scientific.

2. Do you dress according to any particular principle?

To an artist the frame of a picture is always important. All women know this, but many men dress themselves haphazardly. Appearance counts greatly when a man is to be chosen, perhaps the more because the effect is unconscious, sometimes, to the chooser. Make your clothes mean something, however modestly you dress. Never go outdoors without being at your best. You never know who will see you.

Any lack of neatness, cleanliness and order in what concerns your person creates a suspicion that, in your work also, you may be slovenly. But what many men do not realize is the pleasing effect of change in your costume. No matter how well and tastefully you are clad, if you appear always in the same blue suit, the same tie and hat, you discount your personality. One misses the charm of freshness and change. Change connotes youthfulness, and youthfulness implies vigor and enthusiasm.

3. Can you objectify your voice?

We are likely to fail to realize how our voice sounds to others. Consequently the control of the voice is gradually taken away from the mind and given to the emotion. It goes high when we are excited and low when we are depressed. It is loud when we're successful and faint with failure. We fall into all sorts of oral faults; we whisper, mumble, whine or drawl.

Consider your acquaintances and you will find that the person who speaks loudly and clearly is pretty likely to be popular, no matter how much of a fool he may be. When any one says to you, "Beg pardon, but what did you say?" it is time for you to stop and take warning. There is no easier way to make yourself sought than to acquire a clear, well pitched voice. And the best way to acquire it is to practice reading aloud every day, articulating every word with extra distinctness.

4. Can you "think" a smile?

The constant smiler is a pest. He usually either has something he is concealing under that mask, or else he has fallen into senile mannerisms. The habitual frown, that cross look, is as unattractive. It is the pleasant, friendly air of strong (not weak) good nature that disarms and wins over people, and gains favors. Smiles are valuable; but to be valued they should not appear too often, and never without reason. Your expression should be capable of light and shade to make your smile have any meaning. If you practice "thinking" a smile your face will be lighted from within and that will increase your personality. Not only when you are in company—that optimistic, lifted air you should wear even when alone. It will keep up your spirits. Then you will never be caught off-guard with the look of a frown or a failure.

5. Do you consider table manners a game of skill in which you must win every time you play?

Every promotion is correlated with a social advance. As you go up in business life, you are likely to assume greater responsibilities socially also. When you go to that dinner with your boss your table technique should equal your professional efficiency or else your promotion won't fit your personality. And you can't

(Continued on page 59)

**"YOU HAVEN'T EVEN GOT A NAME, SON,
BUT YOU'LL GO TO THE POST A FAVORITE!"**

He was just another promising colt when he lined up at the barrier for his first race. Unknown—but for one thing. His sire was one of the great thoroughbreds of all time. And that was enough to make him a favorite with the public.

Most people feel the same way about a new product. It may be something they've never seen or tried before. But if they respect the *company* behind it, they will buy the product with complete confidence.

Today when a company creates that kind of sales-making confidence, we say that it is doing a good "public relations" job. You can probably name such companies in almost every major industry: automotive, electrical, glass, chemicals, transportation, pharmaceutical, foods, business equipment, steel.

How do these companies approach the

problem of public relations—so often spoken of these days as "industry's number one job"?

First of all, they realize that good public relations means more than just talking to a few thousand stockholders, salesmen, dealers, employees. It must include the several million American families who mold opinion. And the surest way of reaching these millions of families is through national advertising.

That's why the leaders—those who are making friends for their *companies* as well as for their *products*—are putting more of their public-relations advertising in Curtis publications than in all other magazines combined.

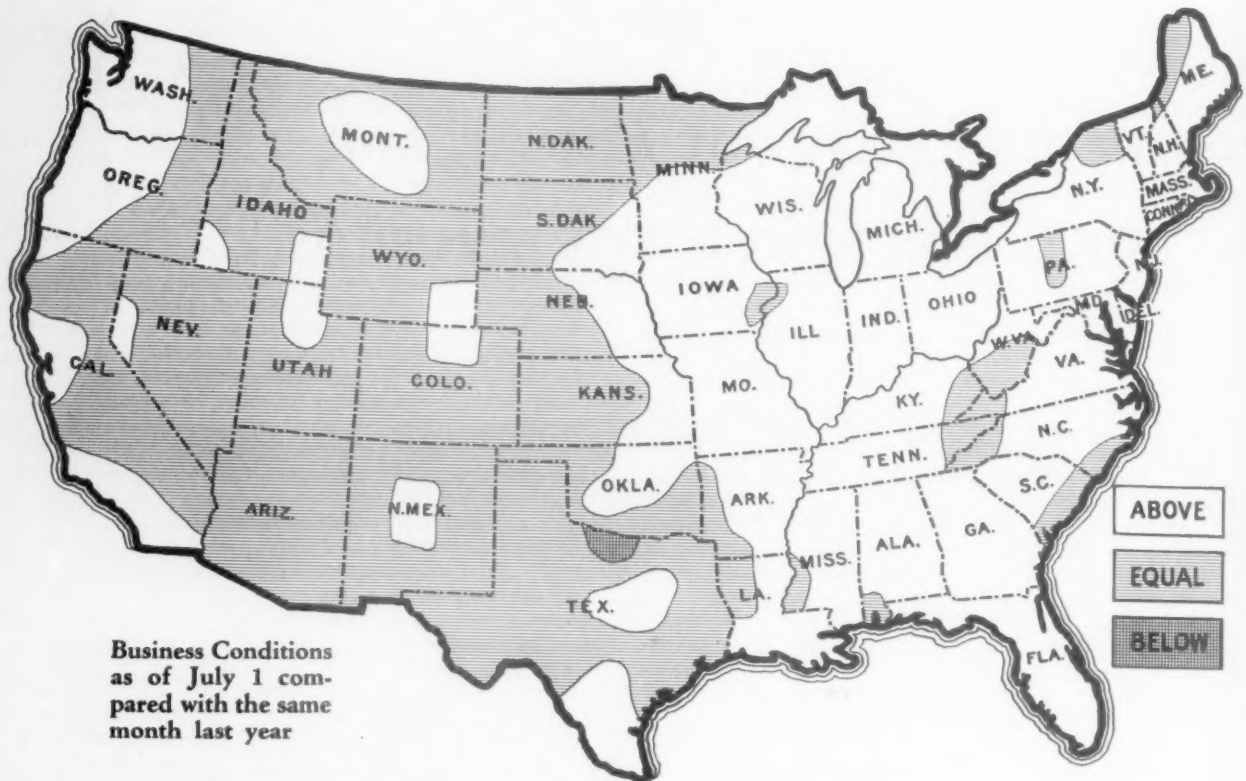
Doesn't it stand to reason that the magazines which have done the outstanding job of selling your products can also do the best job of selling your company?

The Curtis Publishing Company

The Saturday Evening Post ★ *Ladies' Home Journal* ★ *Country Gentleman* ★ *Jack and Jill*

The Map of the Nation's Business

By FRANK GREENE



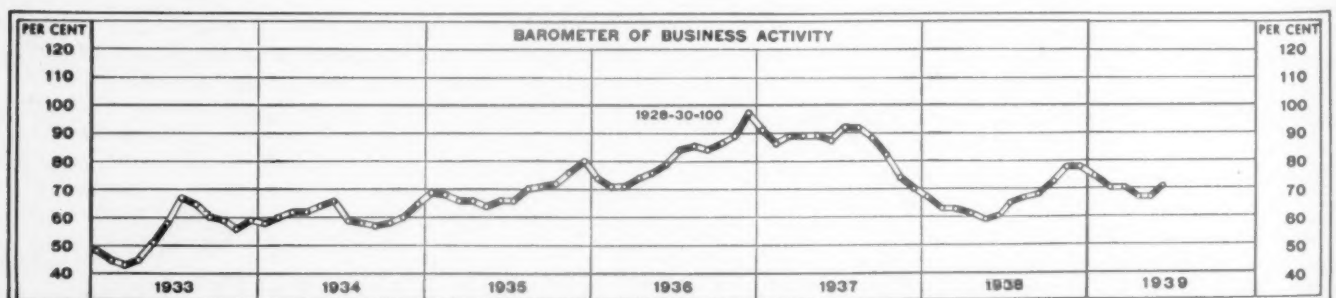
INDUSTRIAL activity increased in June, aided by the expansion in steel mill activity to nearly double last year's rate. With the clearing of labor difficulties, automobile production rose to almost equal the May volume. Carloadings attained a new high for the year at 15 per cent above last June, while electric power output approached closely the all-time peak.

Wholesale trade continued to improve, spurred by good retail buying, while inventories remained low. Renewed foreign unsettlement carried security prices downward, cancelling most of the May rise. Stock transactions were the smallest since 1921. Although smaller than in May, engineering awards and residential building were 20 per cent above a year ago.

Improved crop reports depressed wheat and corn prices sharply. Food commodities receded to a new low since 1934. Metals held steady, with copper sales reaching the highest volume since last October.

Bank clearings fell four per cent under last year.

Improved crop prospects and expanded operations in many industries are clearly reflected in this month's Map



Reversing the down trend which began last January the Barometer turned upward in June, marking the first forward movement since last November and lifting the June figure to the approximate level of March

"Unforeseen events . . . need not change and shape the course of man's affairs"



"HEROISM FEELS AND NEVER REASONS..."

Emerson

Children are instinctive *heroes*. When something they love is in danger they act impulsively, with never a thought for their own safety.

It's up to *you* to make allowance for the child's psychology. Drive carefully always. Redouble your vigilance in school and residential neighborhoods. *Heroes deserve the right of way.*

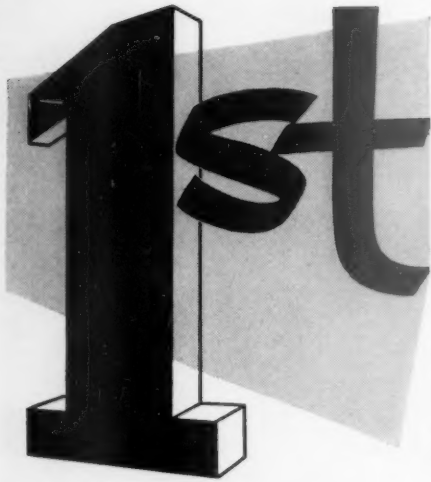
The Maryland, through posters, cards and leaflets in public schools, teaches youngsters how to avoid danger on

the streets. In addition, Maryland safety men instruct drivers of commercial fleets in the ways of safety. And, in advertisements like this, a continuing effort is made to enlist your help in reducing the number of traffic fatalities.

About 3,400 children will die in automobile accidents this year. A large proportion of these accidents would never occur if drivers were ever alert. Won't you do *your* part. Maryland Casualty Company, Baltimore.

THE MARYLAND

The Maryland writes more than 60 forms of Casualty Insurance and Surety Bonds. Over 10,000 Maryland agents are equipped to help you obtain protection against unforeseen events in business, industry and the home.



Every Major Improvement in Watchman's Clocks was first made in a *Detex Clock*

1st

The first American-designed watchman's clock was built almost a half century ago. This clock, since vastly improved, was a Newman—one of the Detex line.

1st

The first watchman's clock to be made completely in the United States was a Detex Clock.

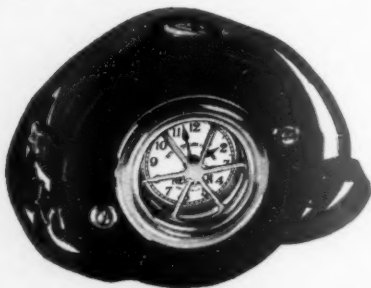
1st

Back in 1904 the Board of Underwriters approved the first watchman's clock—of course it was a Detex Clock.

1st

First today, as they were at the turn of the century, Detex Clocks, 80,000 of them, are now nightly proving their worth in plants throughout the United States, supervising watchmen, preventing loss through fire and theft.

There is a Detex Supervisory System designed to suit your needs and your plant—designed to assure you maximum protection. Make a note to investigate today. See your nearest Detex agent or write for complete information.



DETEX WATCHCLOCK CORPORATION
80 Varick St., N.Y. 4153 Ravenswood Ave., Chicago, Ill.
29 Beach St., Boston Rm. 800, 116 Marietta St., Atlanta

NB-8

DETEX

WATCHMEN'S CLOCKS
NEWMAN • ECO • ALERT • PATROL

Political Boss—New Style

(Continued from page 20)

ballyhoo is unimportant when it comes actually to winning elections.

All of this, however, is merely the smoke screen, behind which, in this utility, the real business of getting favorable votes goes on. In the first place, this, like other municipally-owned utilities, employs a group of men, mostly in minor civil service positions, who are political campaign managers for city councilmen or members of the state legislature. These men keep up elaborate organizations, and can be depended upon to bring a certain percentage of their precinct or district constituents to the polls for a favorable vote on election day.

Training for the campaign

IN ADDITION to the activities of these gentlemen, this particular organization has a final ace up its sleeve, in the form of an elaborate employee training program which functions in full blossom only during a municipal election campaign. This is where I came in.

I was employed in a specially-created position, made exempt from civil service. My principal duty was supervising employee activities during an election campaign. In such a campaign, each of the several thousand employees is given a specific assignment, and especially trained to carry it out.

In developing this unified employee effort into a vote-getting machine, all training is done through the employee's supervisor. He conducts all employee meetings and he has been carefully trained as a conference leader in order to get highly motivated activity from his subordinates.

As soon as the campaign was announced, I used to call the minor supervisors together in a special meeting, which followed by a few days the mass meeting already mentioned. At this conference, or rehearsal, so-called, each supervisor was given all of the publicity material which was to be issued during this campaign.

He was given, also, a complete mimeographed lesson plan to be used in conducting meetings with his subordinates. He was drilled in methods of meeting employee objections, when assignment in the campaign was outlined to them.

Immediately after this rehearsal meeting, two rounds of meetings were held, with the employees, in groups of 20 to 30 each. Every man and woman in the utility attended perforce. In the first round of these meetings, the supervisor outlined the purpose of the campaign, and certain mimeographed material was issued.

An open group discussion followed, with the purpose of enlisting the willing cooperation of each employee in carrying out the assignment given him at the close of the meeting.

This assignment was in the form of a

mimeographed sheet, at the top of which was a request that the employee contact 12 or more of his neighbors and friends, give them the facts concerning this campaign, and urge them to vote favorably. Space was allowed for the employee to list some 20 names, together with the citizen's address, and his reaction, favorable or otherwise, to the contact.

These contacts with friends must be made within the next two weeks, and the assignment sheets filled out and turned in at the second round of meetings.

A second rehearsal meeting was then held with the supervisor conference leaders, and lesson plans given out for the second, and final, round of employee meetings.

In this meeting the supervisors compared notes, and worked out means of overcoming any employee objection to contacting their neighbors.

In the second round of employee meetings, the contact sheets were turned in, nicely filled out, and the employees discussed their experiences in talking to people about the election. At the end of this meeting, every employee got a second assignment: to follow up each of his contacts with a second call, just before election day, and, in addition, to get in touch with each of them on election day, to be sure that all of them voted.

On election day, there were no precinct workers in the field, nor at the polling places. The real work of getting out the favorable vote had already been done. The employee was allowed to go home early, and he spent the afternoon and evening at the telephone, making sure his friends voted. If necessary, he picked them up in his car and drove them to the polling place.

The effect of all this individual effort is, of course, unbeatable. The opposition never has a chance.

Do you get the picture? Six thousand employees make an average of 14 contacts each with their immediate friends. Many of these friends have hopes of some day getting a job with the city and have a vague idea that the city employee can help them get it. Others are relatives or simply well-wishers of the employee, who vote as they are asked. More than 80,000 favorable votes are thus lined up, independent of any other effort that has been made to obtain favorable balloting.

Eighty thousand votes will carry any special election in our city, and, with a bit of help from the professional politicians and ward bosses, will also win any general election.

Until the privately-owned utility discards its antiquated methods of combating such a highly-organized political machine, it will be at the mercy of the politicians. Any utility company can duplicate the efficient set-up outlined here, and beat the municipal organization at its own game. It will never beat it by any other method so long as these issues are decided at the polls, and by the vote of a minority of the city electorate.

Home Town Boy Makes Good

(Continued from page 23)

agent told him of another station in a neighboring town that could be taken over with no actual investment. He investigated, took it over and put his oldest employee in charge. Today he operates seven stations in his county. Furthermore, because his seven stations were buying more gasoline and oils from the company than all the rest of the stations in the local agent's territory, the company gave him the agency. He has now expanded that agency to two adjoining counties and he is making money selling to himself as well as to approximately 40 other service stations in his district. He is certain that he could not have succeeded nearly so well in a large city.

Even the small rural crossroads community offers its quota of opportunities to young men smart enough to eke out a livelihood in the city, and it extends as a bonus an easy-going life that makes for finer and longer living.

Making an opportunity

I KNOW a young man who grew up on a farm a mile from a community of about 100 people. His ambition was to escape what he considered the drudgery of farm life. Yet, because he lacked education, he knew that to go to the city would mean only a laborer's job because he did not even have a trade.

He escaped the farm drudgery, yet was able to marry and live on his little garden-farm, by building a business of his own to serve his community.

The community is 18 miles from the nearest sizable town. It is not large enough to support a bakery or an ice station. Seeing a lot of people drive to town frequently to buy ice and bread, he conceived the idea of establishing a combination bread and ice route to serve that community and the farm houses on the road from there to town.

He went to town, outlined his plan to the local bakery and the ice plant, obtained wholesale prices on bread and ice, and then went home and canvassed every house within two miles of the post office. He also stopped at most of the houses along the first ten miles toward town.

He obtained enough orders to start his combination route. At first it was a struggle to make enough profit to pay his operating costs and the depreciation on his small panel truck. But, within four months, he was making a modest profit. Today his net earnings average only slightly less than \$100 a month the year round. That, compared to wages of less than \$30 a month prevailing for farm labor, he considers an excellent income; and it is. He has his own home, his garden, a cow, and pigs fattening for his winter meat. He is earning more than he could have earned as a laborer in town; and his living expenses are no more than a fourth as much.



"I'll tell you why I'm insured in Lumbermens"



When Ray King and I were fishing, last week, he surprised me by saying: "Why do you have your automobile insurance in Lumbermens, Ed?" "For several reasons," I replied. "First of all, Lumbermens is operated for its policyholders. It's giving me the best of protection at the lowest cost consistent with safety."



"Do you realize," I said, "that Lumbermens leads all companies in automobile casualty insurance premiums? I'm with the leader, and their dividends save me more than one-fifth of the cost of my automobile insurance every year."

"What's more," I told him, "I have complete confidence in Lumbermens management, and for a good reason. They've grown through panics, war and depressions, for more than a quarter of a century, and have paid substantial dividends to policyholders every year. And I always get a kick out of their statement. It's reassuring to see their liquid condition."



"With financial stability like that, plus the savings Lumbermens offers in cash dividends, it's no wonder they lead. Besides," I said, "they are represented by a local agent and maintain coast-to-coast service so that no matter where you drive you can always get prompt assistance."

Later, on the way home, Ray said, "The more I think about Lumbermens and the mutual way of doing business, the better I like it. I can't afford to pass up a saving like that. Who did you say their agent is? I think I'd like to look into their proposition."

LUMBERMENS leads all companies in automobile casualty insurance premiums. Since organization, Lumbermens has saved policyholders an average of over 20% on automobile insurance through cash dividends. If you are a careful driver, investigate this opportunity to save with safety. Write us for a free booklet, or see your local Lumbermens representative.

LUMBERMENS

Mutual Casualty Company

JAMES S. KEMPER, President

Home Office:
Mutual Insurance Building, Chicago

Save With Safety in the
"World's Greatest Automobile Mutual"

Through The Editor's Specs

(Continued from page 7)

line people want, are scratching their heads over this latest riddle of planned economy.

New worlds to conquer

IMAGINE 5,000 social workers corralled in one body. What a catalog of miseries to redress, what a hailing of the Redeemer, what an immolation of the *status quo*! It happened recently in the National Conference of Social Work at Buffalo.

The Conference expanded America's list of Forgotten Men to include the farm worker, the Indian, the "forgotten" child, and several others. One speaker, the executive director of the Social Security Board, said:

It is estimated that the number of chil-

dren in need of and potentially eligible for (special federal aid) is at least as large as the number of persons receiving old age assistance under the Social Security Act.

While Dr. Townsend was holding forth at Indianapolis, a speaker at Buffalo was demanding "a square deal for children and let the indigent and aged howl for themselves." Katharine Lenroot, chief of the Children's Bureau, U. S. Department of Labor, declared "the American child needs a champion," that children in this country are in danger because they can't vote and their interests must compete with those of adult groups who can.

How to pay for a few extra benefits from government, including bigger salaries for social workers? Rep.

Jerry Voorhis of California had the answer. Tap the idle money of the country, he told his fellow redeemers, by a special tax on hoarded income.

Paul Kern of the New York Municipal Service Commission advised social workers to become active in politics. We thought they were already active. Anyway we recommend Mr. Kern's counsel to the thrifty ants whose winter stores are openly threatened by the grasshoppers.

Merchant, chief, doctor, lawyer

NOW comes Solicitor General Jackson with the plaint that lawyers' fees are so high that the submerged third cannot enjoy their services, so the Bar had better do something about it, or else—

This completes the cycle. Doctoring costs too much, so we must have state medicine; potatoes and gingham dresses cost too much, so we must have government cooperatives and consumer councils; the lowly kilowatt, the flotation of a bond issue, the insurance policy, bank interest—all cost too much and so the Government, with a big G, must do the job. There is always to be found some demagog to indict the work and wages of every supplier of goods and services—except one! That one supplier may get his in the end—the supplier of Government. His costs have jumped from \$19 per capita in 1900 to \$137 per capita in 1939. And as for the quality of the article, even one of the high-priced lawyers Mr. Jackson complains of would have a difficult job to convince a jury of taxpayers that there has been that much improvement in government.

Wall Street badinage

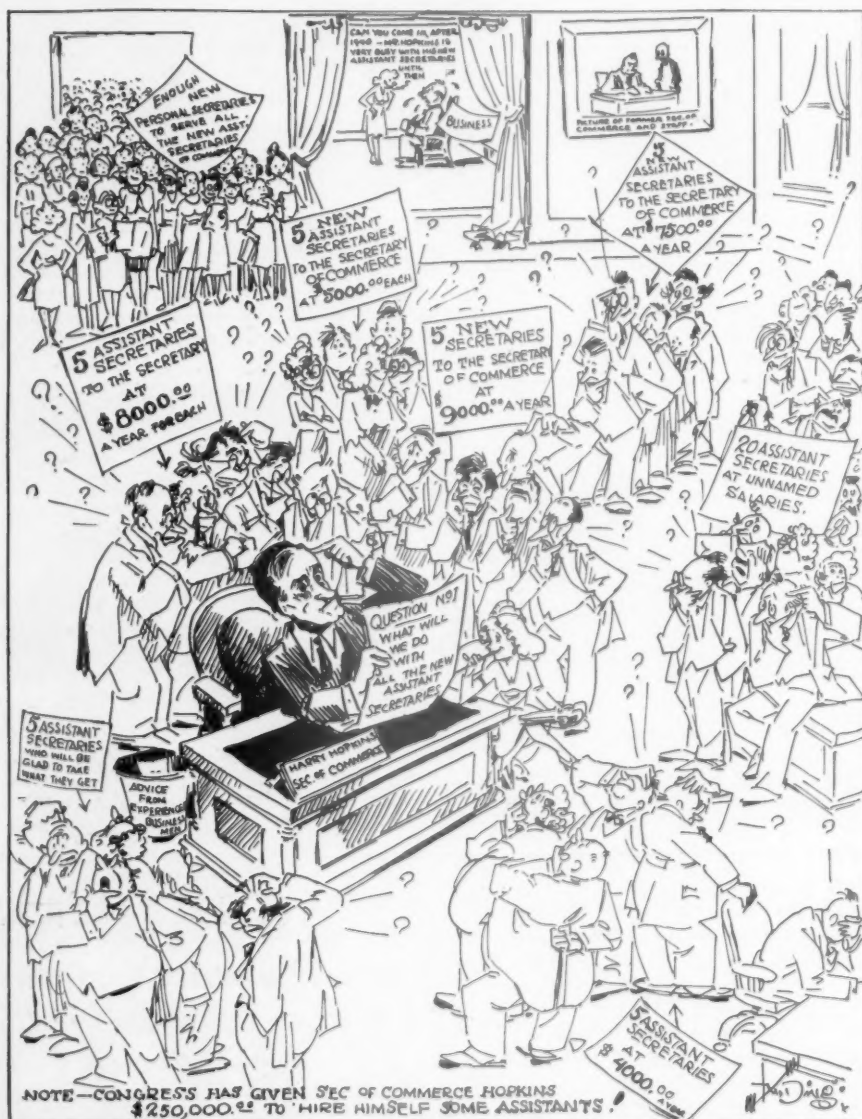
FROM a broker's advertisement in the "Bawl Street Journal":

We could do a big business in Government-guaranteed railroad stocks—if someone would guarantee the Government.

That's one for the S.E.C. More investors are interested in it than any other investment matter just now.

What a market there'd be!

THE press foreman in a Charleston newspaper plant has invented a device that enables a man to put on his pants without stooping over. But what the men of this country need is a device for protecting their shirts from the onslaught of the tax collectors.



COURTESY M. V. HERALD TRIBUNE

The Secretary of Commerce goes to work on a major national problem

MAN TO MAN in the MONEY MARKETS

By CLIFFORD B. REEVES

Why the Exchange Stayed Open

THE recent adoption by the New York Stock Exchange of two-day delivery on securities transactions, instead of one-day delivery, is one of the things that made it feasible for banks in New York City to close on summer Saturdays without disrupting the clearance of stock exchange business.

When the member banks of the New York Clearing House announced that they would close on Saturdays during July and August, many persons felt that the Stock Exchange would follow suit. But the Exchange, after much deliberation and discussion, decided to stay open.

In announcing this decision, the Exchange stressed the fact that it is not a local, but a national, institution. It pointed out that 85 per cent of its business originates outside New York City, and said that it must consider the interests and desires of investors throughout the nation.

All this is true, but there was also another reason for the decision. A bank check that isn't cleared on Saturday will be cleared Monday. A bank loan that isn't negotiated Saturday will be arranged Monday. But a stock trade that isn't made on Saturday may never be made at all, because the need for the transaction may have disappeared. In other words, every day's market creates its own trading, and the loss of a trading day means the loss of business.

With the volume of trading already so small, Exchange firms could not afford to tempt fate by doing anything that might result in still smaller volume of business. Saturday trading in June averaged considerably less than 300,000 shares per trading session, but in these days 300,000 shares is important business.

Many houses that do the bulk of their business with New York City investors were willing to close, because they were doing so little business on Saturdays anyhow. The great-

est opposition to closing came from the big wire houses that do business in all parts of the country, and who stood to lose the most if the Exchange closed on Saturdays, particularly as their heavy wire expense continued regardless.

Loans on Insurance Policies

IN THESE DAYS of low interest rates, the six per cent charged by insurance companies on loans against policies was bound to look conspicuously high. The six per cent rate, however, is fixed in the terms of the policies themselves. On policies written in the past year, the lending rate has been reduced to five per cent in recognition of the generally lower level of interest rates.

But, with policy loan rates so far above the rates on other types of borrowing, it was a foregone conclusion that lending against insurance policies by outside firms would increase. Several firms are now advertising policy loans at 3½ and even 2½ per cent.

These low rates, however, usually apply only to loans of \$1,000 or more against a single policy. This restriction of the minimum loan, of course, makes the low rate feasible. The insurance companies, on the other hand, have to handle thousands of loans in the \$50 to \$100 class. And as any one familiar with small loan operations will testify, a 2½ per cent interest rate on loans of that size is a losing proposition because of the cost of handling.

The insurance companies are also at another disadvantage in trying to meet the rates offered by outside lenders. The insurance company has to guarantee its loan rate for the full duration of the insurance contract, which may run 40 years or more. The outside lender, on the other hand, is under no such obligation, and may increase his interest rates whenever he wishes.

Because the insurance companies

must try to strike a fair long-term average rate, it is natural that, in periods of very easy money, their lending rates may look high. But over the long term, there will undoubtedly be other periods in which their policy lending rates will look extremely attractive.

Financial View of the World's Fair

JUDGING by the recent market action of the New York World's Fair Corporation debentures, The World of Tomorrow seems likely to be a financial success.

The Fair Corporation offered \$27,829,500 of four per cent debentures late in 1936. The bonds were dated January 1, 1937, and are due January 1, 1941. There was no rush of buyers, because the history of earlier expositions of this sort is dotted with defaults and financial wreckage. The issue was finally sold chiefly to business corporations and prominent New York citizens who took them at 100, not because of any great faith in their investment merit, but largely as a matter of civic pride.

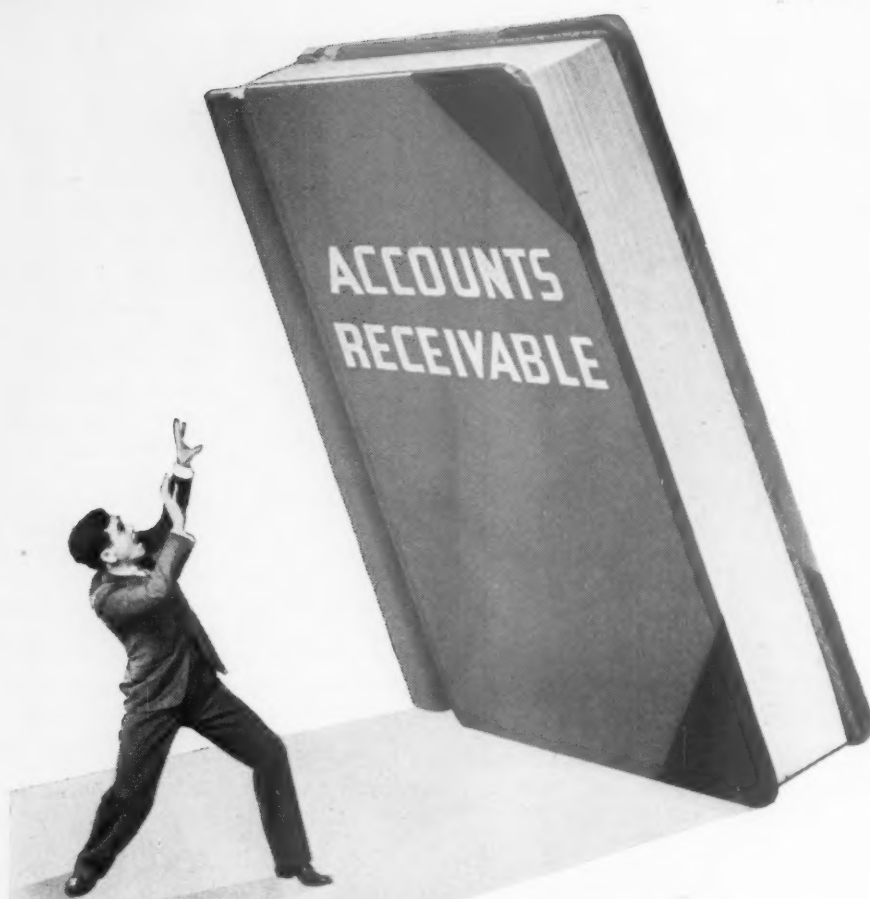
When some of the original subscribers offered their bonds for resale, a "street" market in the issue sprang up. By mid-May of this year, the issue had sunk to a low of 60, at which point it yielded about 40 per cent to maturity. In June, however, when attendance at the Fair improved greatly, the bonds jumped to nearly 80.

The issue is secured by a lien on 40 per cent of all gate receipts, which sums are paid to the trustee for payment of interest and redemption of the bonds. Directors of the Fair recently voted to pay off ten per cent of the principal of all bonds outstanding, thus reducing the amount on which future interest payments will have to be made.

Spend-lend Program a Dud

THE announcement of Mr. Roosevelt's \$4,000,000,000 spending-lending program, which five or six years ago would have given a great lift to market prices, didn't even cause a speculative tremor in Wall Street. Nor did it give any noticeable impetus to business. Business men and investors have lost their faith in pump-priming because of the demonstrated failure of a long series of earlier efforts of the same kind.

The chief reaction in the financial district to this new "white rabbit" was a feeling of fear that the new program, although offered as a recovery measure, was really a clever plan to absorb even more of the country's private productive facilities.



Your Best Assets Your Biggest Menace

Receivables can earn profits, pay dividends, meet pay rolls. Receivables can also deal crushing blows if debtors become delinquent, insolvent, etc.

The wise executive takes the hazard and threat out of his receivables. He insures his sales, and thus protects against unexpected credit losses.

American Credit Insurance

reimburses policyholders when debtors default, whether through insolvency, reorganization, or delinquency. There is no red tape -- goods sold under the terms of the policy are promptly paid for. Capital turns.

"American" protects millions of dollars of sales every year, simply because Manufacturers and Jobbers find that American Credit Insurance provides a "reserve for losses" more economically than any other method.

Accounts on your books are insurable under the American general coverage plan. Investigate.

AMERICAN CREDIT INDEMNITY CO.

of New York

Chamber of Commerce Building

J. F. McFadden, President

St. Louis, Mo.

Offices in all principal cities of United States and Canada

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On this point, one banker said:

There can be no other outcome of the Administration's present course. The Government has invaded the field of public utilities in direct competition with private business. It has not only brought the banking system under virtual political control, but is competing directly with the banks through dozens of federal lending agencies whose outstanding loans are nearly 50 per cent as great as those of the entire commercial banking system. It is also absorbing the private savings of the people through the sale of U. S. Savings Bonds at interest rates two or three times as great as the banks can offer.

A proposal has been made for the establishment of a Government-sponsored system of "capital credit banks" to supply private businesses with capital loans, thus giving the Government actual or potential control of private enterprises of all types. And now, under the newly proposed spending-lending program, the Government would supply equipment for the railroads, finance the export of American goods through extension of foreign credits, and compete with the long-term capital markets in the financing of electrification and other public works. That doesn't leave private capital much to do!

Banks Are Meeting the Need

BANKERS in the financial community have been pointing to a recent study by the

National Industrial Conference Board on the availability of bank credit as evidence that the creation of new Government credit agencies is needless.

The study covered 1,775 companies, both large and small, and indicated that only five per cent of such companies had been refused credit by their banks in the period from 1933 through 1938. More than 91 per cent of the concerns said that they had no difficulty in obtaining all the bank credit they needed. Moreover, a substantial number of companies reported that their banks had voluntarily offered them funds exceeding their credit requirements, or suggested that they accept a line of credit even though none had been requested.

Reasons for the banks' refusal to lend to the five per cent that had not been accommodated were found to be sound in nearly all cases. Most refusals came as a result of requests for semi-fixed capital loans which, because of their lack of liquidity, are not generally suitable for a commercial bank's portfolio.

Of the 1,755 companies included in the study, only 159 had sought credit from federal lending agencies. Of these, 83, or considerably more than half, said that their applications had been refused or restricted. Of 79 companies that were refused bank credit and later applied to government agencies, less than half were accommodated fully or in part.

Of those companies that had had

experience with Government agencies, more than 90 per cent believed that the credit standards of such agencies were as rigid, or more rigid, than those of commercial banks.

More Trusts for New York?

THOUSANDS of wealthy individuals have always had their funds administered by trust companies in the large financial centers because they feel that, in that way, they can obtain better service and advice than is available in their local territories. The fact that their assets were held in a "foreign" state was never believed to involve any tax disadvantage.

Then, late in May, the U. S. Supreme Court decided that the state in which assets of a non-resident were domiciled had a right to levy death duties on such assets, just as did the state of the owner's residence. This decision, upholding "double death taxes," had far-reaching implications in the trust business, particularly in New York, where great sums were held for non-residents.

Many attorneys advised their clients to withdraw their securities from New York, and it looked as though New York trust companies would suffer a heavy loss of business. Then the Bank of New York, in a widely published advertisement, announced something that nearly every one had forgotten, or did not know: that the Constitution of the State of New York provides non-residents with complete protection against double death taxes on assets held in New York. Shortly after the Bank advertisement appeared, the New York State Tax Commission rendered an official opinion to the same effect.

As a result, a further flow of non-resident trust and custodian business into New York is now anticipated.

Stock Exchange Losses Persist

CONTRARY to popular opinion, the New York Stock Exchange does not have an enormous income. Its total income in 1938 was only \$5,664,943. Moreover, far from making fabulous profits, the Exchange has been showing steady operating losses, despite drastic curtailment of expenses. The net loss for 1938 exceeded \$1,500,000.

The details of the Exchange's financial and operating problems were given in a recent "administrative report" issued to members by the youthful William McC. Martin, president, covering his first year in office. The report showed that the Exchange has suffered an operating loss every month but two, from May, 1937, through April, 1939.

"I'm on to you," sneered
demon DUST,

"I'm always on the level."

"That's where you're fooled,"
the contacts laughed,

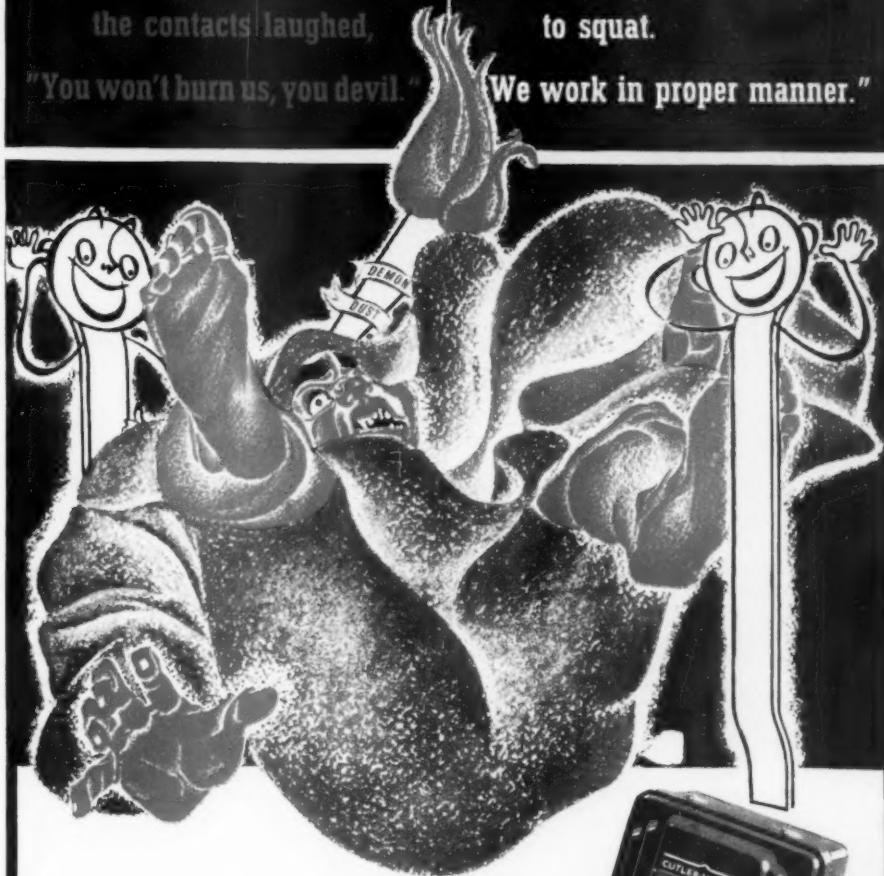
"You won't burn us, you devil."

"For we are on the Up
and Up,

As built by Cutler-Hammer.

On us you'll find no place
to squat.

"We work in proper manner."



VERTICAL CONTACTS mean better Motor Control. Dust between contacts causes heating and burning. But dust *can't* settle on VERTICAL contacts. So Cutler-Hammer VERTICAL CONTACTS need not be buried. They are *out in the open*... always air-cooled, easily inspected, fully accessible—yet free from dust and dirt. Get the facts. Send for free book, "Dust, the Destroyer." CUTLER-HAMMER, Inc., Pioneer Electrical Manufacturers, 1251 St. Paul Ave., Milwaukee, Wisconsin.



ONLY VERTICAL CONTACTS CAN BE DUST-SAFE!



What's New in the Next Census

(Continued from page 13)

be of great value in future reemployment drives.

Because of the trend toward urbanization, the increasing use of the automobile and other factors, both economic and social, the characteristics of the typical American family are changing. The number of families where both husband and wife are employed, for example, has steadily increased. Are other changes in family-life taking place? To what extent have families from city tenements moved into nearby country tracts and taken up part-time farming? The 1940 census will answer these and similar questions.

A study of new industries

FACTS about new industries and new occupations will be revealed when the 1940 census returns are tabulated. In many industries, changes are taking place so fast that current statistics are hopelessly out of date.

The development of plastics, as told by the census figures, is likely to prove an eye-opener. Plastics, air-conditioning and other new industries have created new occupations.

Aviation is another industry whose development outruns current statistics. Census figures on aviation and allied industries will provide valuable information on occupational trends in these fields.

One of the great unknowns in America is the number of dwelling units, both occupied and unoccupied. By covering the number and types of all occupied and unoccupied dwelling units, next year's census will supply information long lacking.

American farmers and their families—approximately a quarter of the population of the United States—offer a big market for increased sales of manufactured goods. The farmer wants modern improvements of all kinds and he is on the way toward getting them. In recent years, 500,000 farms have been electrified. As the trend continues, the market for electric household appliances will widen.

In 1938, there were ten times as many farm radios as in 1925. Other farm facilities, such as electric lights, running water in the house, automobiles, telephones, have registered substantial, though less striking, increases. With the value of farm dwellings, these facilities provide a good yardstick for measuring farm living standards.

Will the 1940 census reveal a decrease or an increase in the farm population of America? Census experts are divided in their prediction. Unemployment in industrial cities continues to encourage many city dwellers to seek new homes on the farms or in small towns. Partially offsetting this is a big exodus from the so-called dust bowl. Returning prosperity has again revived the farm-to-city

movement. Some experts predict that 1940 will show a bigger farm population than 1930. But don't place too heavy a bet on this.

Nearly a third of the American farmers have income from other than farm sources. This is another reason why farmers are big purchasers of city-made goods. Returns from a recent sample census indicate that non-farm income is about 75 per cent as great as the income derived from actual farm operations. Farmers are investors, and many of them have a stake in other enterprises.

The 1940 census will throw light on the trend toward purchasers through cooperatives. A trial survey revealed that 17 per cent of the American farmers are now buying through cooperatives as compared with seven per cent in 1930. Among tenants, too, cooperative purchases are increasing.

As urban-rural migration continues, as part-time farming near cities increases, as motor roads, the telephone and the radio break down his ancient isolation, the farmer is boosting his living standards, and his desire for city conveniences grows stronger. The trend, therefore, is toward a levelling of the old differences in living standards between urban and rural America.

Farming versus business

HAVE you a better chance of success in a business of your own than in farming? The 1940 returns will help to answer the question. Reflecting the distressed conditions of agriculture, the percentage of tenants who previously had been owner farmers has increased in recent years. Many men who once were in business on their own are also working today on salaries, and letting someone else worry about the profits.

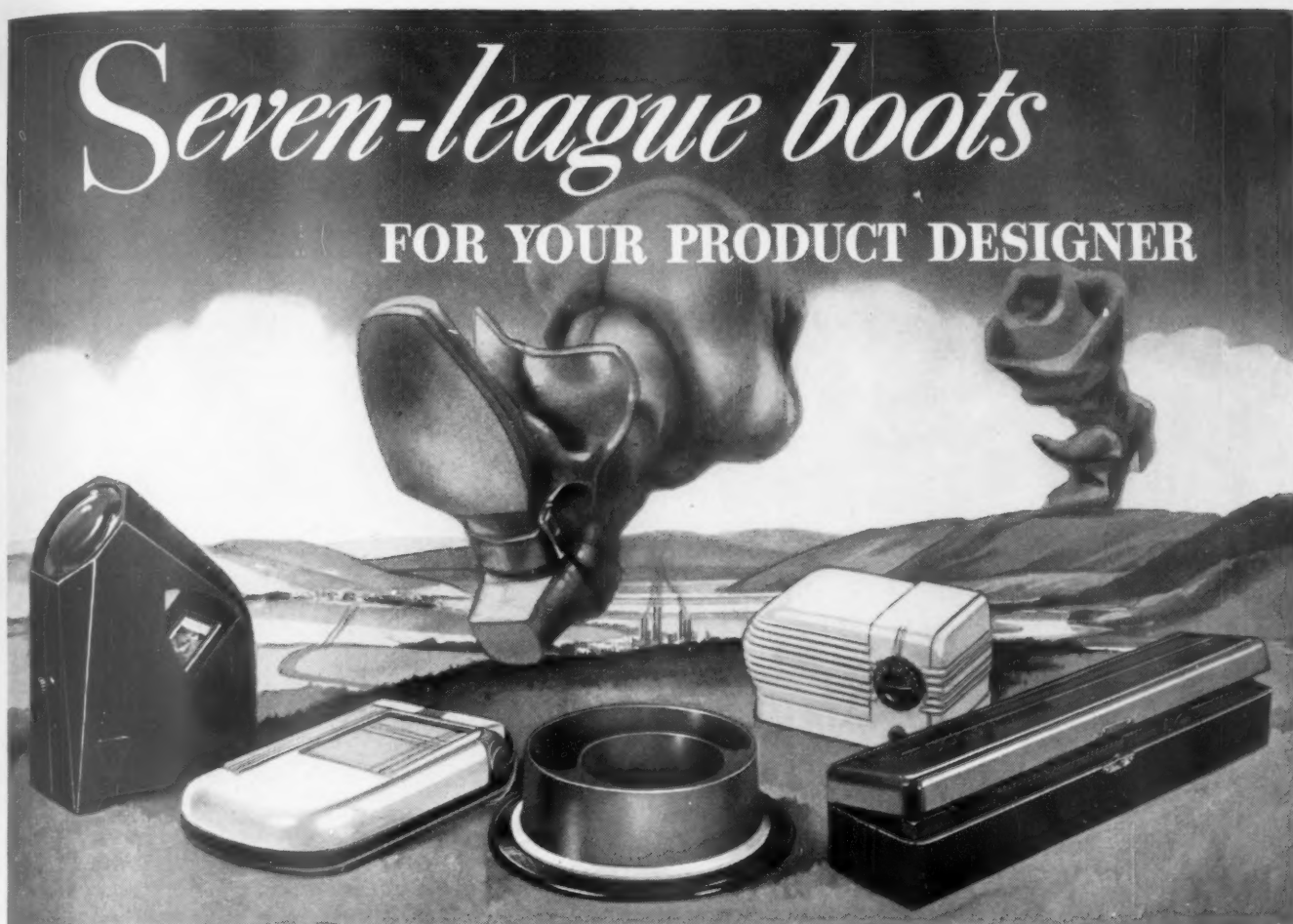
The 1940 census will show to what extent machines and motor power have replaced men and animals on American farms. The use of power machinery on American farms has had two important effects. It has encouraged the consolidation of holdings to provide the larger areas needed by the more efficient use of power machinery, thus displacing farm population, and adding to the ranks of the unemployed. It has also created the "sidewalk" farmer, who lives in a neighboring village or town, and drives to his farm as needed.

The agricultural schedule will include about 200 questions. From the answers will emerge a complete picture of rural America. To enable them to give the census more quickly the information desired, a campaign is under way to encourage farmers to keep better farm records.

Three censuses of business have previously been taken, covering respectively 1929, 1933, and 1935. Before the first of these, business men were almost completely in the dark as to the number of



"Just a minute, Fred! I guess we missed it again."



UNIFORM PRECISION
and simplified assembly are obtained by forming this film-viewer from colorful Bakelite Molded.

LIGHT WEIGHT
and durability are advantages of Bakelite Molded housings for this two-color portable register.

SIMPLIFIED PRODUCTION
with Bakelite material permits economical, one-piece design of pet-feeding dish in rich colors.

SMART STYLING
at mass-production costs is gained by forming this dainty radio cabinet from Bakelite Urea material.

INHERENT COLOR
imparted by Bakelite Molded saves finishing costs in producing this instrument container.

Save steps from conception to completion of new designs
...keep your products many strides ahead of competition
...by employing sales-winning BAKELITE PLASTICS

YOUR STYLISTS and engineers are practically certain to find quicker, shorter routes to successful designs . . . ways to cut needless steps in planning, selection of materials, fabrication, and assembly . . . by consulting Bakelite Plastics Headquarters. And they will obtain new inspiration for outstanding styling from the rainbow-like array of versatile materials at their disposal.

Note these comments from nationally-known concerns who have applied Bakelite plastics:

Bausch & Lomb Optical Company—"The most revolutionary design in field glasses demanded a revolutionary material. Bakelite Molded was chosen. Since the sales of Balar Field Glasses have gone far beyond expectations, design and choice of material must have been right."

Hobart Mfg. Co.—"The modern appearance given our Meat Choppers and Coffee Grinders by Bakelite Molded housings is giving us an 'edge'. Bakelite Laminated advertising

panels for our new Scale have already proved a most valuable aid to sales."

Crocker-Wheeler Mfg. Company—"Bakelite Molded used for the base of our Toast-O-Lator lends itself to streamlining and carrying out of modern features in design."

Detrola Corp.—"The small Bakelite Molded radio-set business is now a very important part of our monthly billings, and has given us a very profitable volume that was not available before."

These experiences are typical of the benefits you may gain by investigating Bakelite plastics. Take this short-cut to sales-winning product designs . . . write for comprehensive illustrated booklet No. 1, "New Paths to Profits."

Bakelite Corporation, 247 Park Ave., New York

BAKELITE
PLASTICS HEADQUARTERS



Get this Plastics Guidebook!

For the first time, here is a terse, non-technical booklet that gives the A-B-C's of plastic materials in simple, understandable terms . . . what the various plastics are . . . why so many types are used . . . how they are fabricated . . . where and when they offer special advantages . . . and how they are revolutionizing product-design to increase sales and cut costs.

Your product-designer, too, will find useful information in this booklet. Write today for your copy of "New Paths to Profits", and give names of others in your company who should receive copies.

Visit the Bakelite Exhibit, Hall of Industrial Science, N. Y. World's Fair 1939

AGAIN



The Highest Award in Railroad Safety

TO that typical American — the RAILROAD MAN — goes the lion's share of the credit for the safety achievement of 1938 — the safest year in the history of the American railroads.

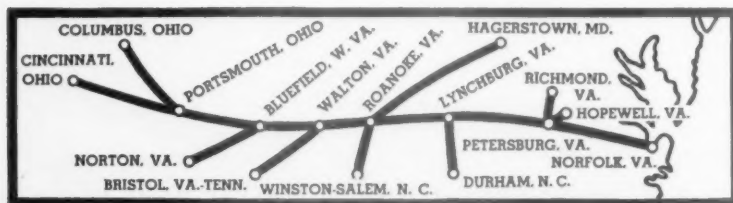
And to the Norfolk and Western Railway and its 20,000 employees goes the honor for leading the field. For again, the American Museum of Safety — for the second time within 12 years — has awarded this railroad the coveted Harriman Memorial Gold Medal for the outstanding safety record during 1938 among the large Class I railroads of the United States.

The progress of the Norfolk and Western in accident prevention since 1924, has resulted in the actual saving of 80 employees' lives and the prevention of 10,000 employee injuries. To the traveling public, it means that this railroad last year carried more than one million passengers back and forth between the Midwest and the Virginias and Carolinas and between the North and South, nearly 86,000,000 miles *without a single injury or fatality in a train accident.*

The Norfolk and Western's unusual safety achievements didn't just happen. They are the result of years of practical planning, the expenditure of millions of dollars for improved and safer equipment, strengthened roadbed and track structure, modern signaling systems, improved tools and operating methods, better training and supervision, and intensive safety education.

Above all these things, have been the efforts of the employees themselves, their belief in safety, their efficiency, and their cooperation with one another and with the management. The Norfolk and Western is proud of their record.

With the proven knowledge that safety is the first rule of good railroading, the Norfolk and Western Railway and its employees, will continue to exert every effort to achieve greater safety for the protection of themselves and those whom they serve.



NORFOLK AND WESTERN RAILWAY

PRECISION TRANSPORTATION

retail or wholesale outlets in the United States. Covering retail and wholesale trade, hotels, amusements and service enterprises, more than 3,000,000 establishments in all, the 1940 census of business or distribution will reveal the pattern of American business at the end of 1939. Trade associations, local chambers of commerce and other business groups will help pick the questions.

Statistical answers will be provided for questions that are currently on the tongues of many business men. One of these is the so-called supermarket. What effect has it had on employment? Does it increase profits and are consumers getting lower prices as a result of the consolidation of small stores into large units? The census will also answer another question—to what extent are retailers moving to outlying sections of American cities?

Helpful to business

BUSINESS census data will be valuable in market analysis, in determining the number and types of prospective buyers, in studying buying habits, consumer preferences and purchasing power, and in determining the best locations for new stores. In picking business and manufacturing concerns that are most likely to benefit the community and most likely to succeed in a given locality, local chambers of commerce will find census reports a useful guide.

The business census will show the costs of businesses, by size, and will reveal the increases and decreases both for the country as a whole, and for individual cities, that have taken place in various types of business since 1930. Census returns will provide data on volume of business, operating expenses, part time, and full time employment, and wage payments. From such data as these, sales managers can accurately estimate the market "fertility" of each city and community.

"Any tendency toward geographic concentration, migration, or decentralization of business concerns or types of business is made apparent through a study of business census reports," says Dr. Virgil Reed, Assistant Director of the Census. "General conditions in different parts of the country can be visualized. Comparisons of salaries and wages paid in different sections or by different kinds of enterprises are possible.

"Rentals and land values may be determined on this factual basis. By capitalizing the rental values, one arrives at a very definite value of real estate in any business center. Additional light is thrown on employment."

For the census of manufactures, approximately 250,000 individual questionnaires will be sent out, covering practically every manufacturing establishment in the United States.

The number of industrial classifications will be increased from 340 to 400. Better figures will be obtained on inventories and stocks and, for the first time since 1929, statistics will be gathered on the development of the use of power in American manufacturing. This information, now lacking, will reveal

new, and heretofore unsuspected outlets, for the sale of electrical goods.

Information will be obtained on the number of salaried employees, and wage earners, costs of materials, value of products and so on.

The returns will throw light on conditions and trends in employment, production, costs of material, inventories, and will provide information for measuring the rates at which individual industries are growing or declining.

They will also show trends in the migration, concentrations, and decentralization of industries.

When the enumerator rings the door bell, or when the postman hands you a questionnaire, don't think that the questions—and there will be a lot of them—represent the arbitrary whims of bureaucrats in Washington. Business and private groups have cooperated with government officials in working out the 1940 schedules.

At hundreds of meetings in recent months, representatives of trade associations, chambers of commerce, industry, and other private bodies have discussed census questions with government experts.

Private individuals have proposed thousands of questions. All suggested inquiries have been given careful consideration.

Information wanted

UTILITY is the number one yardstick. The census is not a game of "ask me another." All questions must promise useful information.

Utility, however, is not the only measuring rod. Uncle Sam wants to reach every individual, every business man, every corner store, and every farmer in the United States. This means questions must be so selected, and so phrased, that the average person can answer them quickly, without annoyance and without expense.

The population schedule will include about 30 questions. In most families, the job of filling out this schedule will probably fall on the housewife. The Census Bureau has other queries that it would like to ask but which must necessarily be ruled out either because they cannot readily be answered or because they might prove offensive.

Census employees are sworn to secrecy, so there is no need to worry that your competitor will have access to confidential facts about your business.

The taking of the census will begin in Alaska early this autumn. In continental United States, in the early part of 1940, millions of fundamental facts about people, farms, stores, factories, employment and unemployment and business, will be gathered by an army of 150,000 enumerators. To gather and tabulate these facts will cost about \$45,000,000, or half the cost of one of the Navy's new battle-ships.

When it is done, the United States will be able to look in the mirror, so to speak, and find out what it really looks like. From what they see, wise business men will be able to make better informed decisions.

GOOD BUSINESS NEWS

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This concern says: "Your service is dependable. We receive our checks on just the days that we need them. The dispatch of our receivables has enabled us to get our money in this manner instead of from the banks. We do not have any bank loans at all. We depend entirely upon your service."

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volume we have been able to transact has increased considerably, due in no small degree to your very efficient handling of our invoices . . . We were somewhat dubious, but do not hesitate to say now that we are thoroughly sold on this form of financing."

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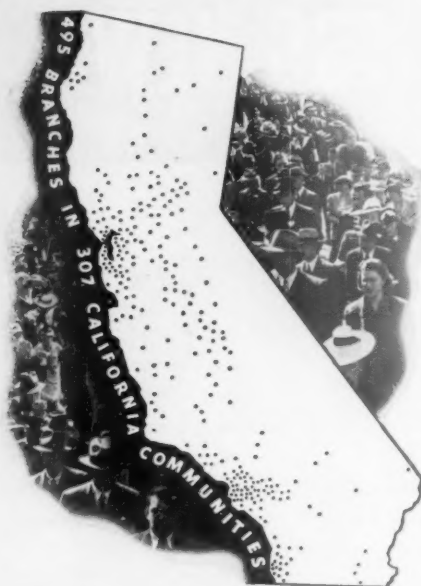
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The Business Debt to World Fairs

(Continued from page 17)

World's Fair at which the talking machine was exhibited was the Paris Exposition of 1889. A battery of ear phones was attached to a phonograph, so that a number of persons could listen to each demonstration. The display at this Fair publicized the phonograph throughout the world and had much to do with its popular acceptance.

The World's Columbian Exposition in Chicago in 1893 is another fair that had wide influence on the development of American business. More than 21,000,000 persons paid admission to see the 250,000 exhibits which were housed in 150 buildings. The fair was a financial success, netting about \$2,000,000.

A large portion of the exhibits at the Chicago fair were new products. The machine age which got under way earlier in the century was swinging into high in 1893. Tens of thousands of the visitors to the Fair were young men who were looking for a business opportunity in the products on exhibition. Many of these young men went out as salesmen for the products which intrigued them. Numerous other fair visitors later started their own businesses to deal in things shown at the Exposition. The enterprise of these young men had a lot to do with the great business expansion that followed the Chicago Fair. Henry Ford was one of them. He got great inspiration from the Chicago Fair. William Cameron says it is the reason why Ford takes such a big part in Expositions in recent years.

Incidentally, it was at the St. Louis

Exposition that Max Factor, Hollywood's late make-up expert, cosmetic manufacturer and glamour maker, first introduced his ideas in America. He had learned his art in the court of the Czar. With the rise of the movie industry, Factor soon worked out a substitute for grease paint, which was anything but glamorous under studio lights.

Growth of a fair novelty

A YOUNG man who found his opportunity at the Chicago Fair was Lewis Walker, a lawyer of Meadville, Pa. W. L. Hudson had invented a hookless fastener. Of the 250,000 things on exhibition, the fastener was the only article that attracted young Walker's eyes. Hudson needed capital to exploit his invention. Walker, who later became a Colonel, resolved to raise the capital.

It took him 20 years to do so. But by 1913, the manufacture of the hookless fastener was launched in Meadville. When Colonel Walker died in 1938, his company, now known as Talon, Inc., was employing 4,000 workers.

Oddly enough the dismantling of the World's Columbian Exposition brought another business into existence—the Chicago House Wrecking Company. The organization existed before, but the fair got it into another field. To dispose of the vast quantity of salvage which the wrecking of the Exposition placed in its possession, the Chicago House Wrecking Company got out a mail order catalog and started mail order business.



The Midway, amusement area at the Chicago Fair in 1893. Here Little Egypt danced. Incidentally it added "Midway" to the language as a general term for sections devoted to entertainment

CULVER SERVICE

Do You Deserve a Raise?

(Continued from page 40)

be careless at home, and then suddenly display a cultured deportment elsewhere.

If you are to progress in your commercial career, therefore, you must keep up with the concomitant social qualifications. And it is while you are waiting for promotion that these correct habits must be formed. Many a man has learned too late that his deportment must correspond to his position. If you haven't learned the social codes yet, begin now to prepare yourself for promotion.

6. Do you understand that poise gives power, and why?

Any overflow of nervous energy in useless bodily motions—such as twiddling things, drumming on a table, scratching your head, feeling of your face—is unpleasant to others, destroys your magnetism and is a waste of power. It prevents attention and concentration. When you see a man fussing nervously like that, you can get his goat, because he's off guard. Poise is balance, and it's as dangerous to be caught off balance in social and business life as in the prize ring. To fit yourself for promotion you have to know what you're doing all the time—have conscious mental control of your actions.

7. Do you know the stroke that brings victory?

Not the last stroke, but every stroke. Advancement, success, is seldom won by any one particular act. Generals in wartime know that. It is the everyday, conscientious effort, the everyday attention and planning, the incessant and rigorous pursuit of your ambition that win promotion, when directed by intelligence.

And always remember

The power to see ourselves as others see us is not given to most. And most of us would be amazed to hear the opinions which stenographers, clerks, neighbors, cab drivers, or elevator boys hold of us. Perhaps you have never tried to find out your faults and failings. But if you have the courage to ask, "What is the thing about me that you like least?" it is possible that you may get an inkling from your wife, sister, daughter, or friend that will, if heeded, remove some friction from your progress. The most successful men have discovered their weak points and made them their best. You can't win till you are as critical of yourself as of your worst enemy.



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Are You Wide Open to Liability Claims?

(Continued from page 28)

in a restaurant, brought suit. At the trial the defendant proved by competent witnesses that the fish served was bought that same morning from a responsible wholesaler, that it had been inspected and approved by the city health officer, and that 100 orders of this fish had been served on the same day with no other complaints. Furthermore, the city health officer testified that the defendant's restaurant was regularly inspected and always found to be in excellent condition.

In spite of all this testimony, the jury brought in a verdict of \$5,000 for the plaintiff.

Courts are not maintained to dispense justice, contrary to a popular misconception. Courts are set up as instrumentalities to enforce laws. Whether justice is done in any particular case is not "of the essence," as lawyers say. And often justice, somewhat like negligence, is a matter of opinion. "I consider," was the unbiased (?) opinion of a man reporting an automobile accident in which he had been involved, "that neither vehicle was to blame, but if either was to blame, it was the other one."

A little boy, with his mother shopping in a department store, fell down on an escalator and lost three fingers. Suit was brought for \$100,000; the court found for

the plaintiff and assessed a judgment of \$25,000.

Would you regard that a just sum, (a) if those fingers were torn off the hand of your son: (b) if they belonged to a boy in some other city? Young men have had whole arms shot away in war for less. In other cases, higher awards for less serious accidents have been handed down. What is "right?"

The sidewalk in front of your store or home is swept clean. Later, some one drops a fruit peel on it. A little later, a woman slips on that peel and falls, fracturing her thigh. She can sue you. A jury may decide you've been guilty of negligence and award a judgment against you. If so, you must pay. If no judgment is returned, you have at least had to defend yourself.

There are some fields of legal relations in which "acts of God" may constitute valid defense, but public liability is not one of them.

A strong wind blew a large metal sign down from a drug store just as a woman was passing. The sign struck her, fracturing her leg. A widow, sole support of four children, she brought suit for \$30,000 alleging permanent disability. The court found the druggist guilty of negligence and returned a verdict in the sum of \$11,000. The strong wind was the "act

of God." The negligence lay in the druggist's responsibility to see to it that his sign could withstand an act of God.

The first rule of golf is—"give timely warning." You may hook or slice with no legal liability (though you may have to defend yourself if you inflict injury) provided you give timely warning to all within range that you are about to swat the pill.

Negligence and liability

BUT, if without first warning of your intention, you hit your ball and injure a caddy, another player, a spectator, or someone passing by, he may sue you. If he does, a jury may decide you were guilty of negligence, return a verdict against you and you must pay—even if you have to mortgage your home to do so. Negligence arises out of doing something that should not be done, or failing to do something that should and could be done to insure the safety of others. Lack of skill is not negligence.

In general, the same liability that attaches to persons who play golf applies to any one who engages in any other sport.


The upward trend in recent years in both the number of claims and the severity of judgments concerns all property owners and business men. There is a pronounced upsurge of claim-consciousness, a logical result of the spread of news about jury awards.

Business men, individually and collectively, school and municipal authorities, insurance companies, civic groups and other forces have cooperated through fire and accident prevention programs to reduce the losses of life and property. But because decisions of courts are involved, there must be a different approach to the problem of checking tendencies to award unjust and excessive judgments in liability cases, to avoid even the appearance of "tampering with justice."

However, it does appear proper for chambers of commerce and other groups of business men and property owners to give the problem serious and thorough study. It may even be in the interest of self-defense for business men and property owners to take a more receptive attitude when asked to serve as jurors, lest withholding the sane judgment of good citizens from jury service may lead directly to the creation of "prejudiced" juries, unjust and excessive judgments.

There are, of course, many just claims. These should not be opposed. But public sentiment needs to be aroused to prevent gross injustices in the form of excessive awards made by prejudiced juries. Each community may profitably take a continuing interest in how liability claims are being handled in its own courts. An excessive judgment can bankrupt an employer, destroy a business, wipe out jobs—injure the entire community.

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Fine Idea—but It Didn't Work

AN EDITORIAL

THE merry, merry job of making America over goes on apace. Suggestions and recommendations of boards, bureaus, commissions and hand-picked witnesses before committees gradually disclose the plan. The Berle proposal for "joint" federal-private control of a credit banking system is in line. There is more and more talk of federal control of insurance and a federal plan, fashioned after the Massachusetts law whereby savings banks were authorized to issue insurance and annuities.

Political agencies, it seems, are all that is left in this one-time independent republic to do anything for anybody. There is one man who might give valuable testimony on the last proposal to provide cheap insurance for the poorer classes.

Justice Brandeis in 1906 was chief advocate of the Massachusetts law whereby he repeatedly referred to it as "workingmen's insurance," "life insurance for the wage-earner" and "another great advance in the development through thrift of general prosperity by extending the functions of savings banks to the issuing of workingmen's life insurance."

No one questioned his sincerity then or now, his good intentions toward the under dog, his mental integrity. But, as this passing decade testifies, too many plans, conceived in good intentions, go awry because, for the most part, they leave out of account the factor of human nature.

THE RECORD shows that the plan, which is now put forward as something desirable for federal operation, failed of its worthy objective.

Nelson B. Hadley, retired Chief of the Life Bureau, Insurance Department, State of New York, wrote in April, 1939:

The propaganda, put out by the proponents of savings bank life insurance, has emphasized again and again that this was the insurance for the lowest income laboring class until a great part of the public has come to believe that this is a substitute for industrial insurance. When the public, as it will in time, realizes that it has been deceived, that the underwriting rules and regulations by which the poor laboring man has been prevented from getting this insurance were being kept confidential and secret, it will want to know the reason for it. The rules and regulations of the life insurance companies so far as occupational hazards are concerned are freely published to the world. Any one can get the printed facts.



Oops...and there went \$4.29 right out the window!

"Blatford & Busby. Jussaminitt. Here's your party... Blatford & Busby—Oh hello, Ethel! Tonight?... that's dandy. I'll see you about ten after five... Early? No I don't have to stay late any more? Didn't I tell you? I almost got fired—Jussaminitt... Yes Mister Jones. All rightie... Ethel? Well, it was Friday before last, awful hot but windy, remember? An' Mister Jones, our office manager, tells Lily to hold down the board and asts would I send out the reports for the week. Yeah, we send out copies of everything to all the factories. O boy, the number of carbons is terrific..."

"Blatford & Busby. Okay... Ethel? So I stuff carbons into the big yellow envelopes, and then I get the scales and ten dollars' worth of postage and move over by the window where you can get a breath of air once in a while... Blatford & Busby. I'll connect you... And I am tearing the stamps apart very careful on account of it is so hot and sticky, when all of a sudden that fresh egg from Purchasin'—you know who, Ethel—opens the door with a whoosh, and a terrific draft comes through the room and there goes \$4.29 in stamps right out the window! I coulda killed the dumb—"

"Blatford & Busby. He's outa the city... Then Mr. Jones comes in and has a duck fit when he finds out what has happened and is very sarcastic. But I say Mister Jones, if this office was real efficient we would have a Postage Meter and not go

on foolin' with stamps... Well, Mister Jones asks me how I know about a Postage Meter and I tell him all about yours... Yeah. Ours came in last week. It's kinda cute, isn't it? And Johnny sends out all the mail by hisself now—Hello? Jussaminitt—and that's why I don't stay late any more. See you tonight. So long... Blatford & Busby..."

WHEN you have a Pitney-Bowes Postage Meter... there are no stamps to tear apart, or worry about, because the postage is in the Meter—foolproof, theft proof, safe; no stamps to stick, because the Meter prints your postage; no stamps to stock, because the Meter supplies any value of stamp needed; no stamps to count, because the Meter keeps count of postage on hand, postage used, pieces mailed... The Postage Meter prints postage, postmark and advertising slogan, and seals envelopes neatly, swiftly, efficiently; saves mailing time, stops stamp losses and misuse, cuts postage costs... Metered Mail need not be faced, cancelled or postmarked in the postoffice, gets on its way hours sooner... Models for every business, large or small... For a demonstration in your office on your own mail, call the nearest office of The Postage Meter Co.

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But the Savings Bank Life Insurance Department in Massachusetts claims it to be confidential.

In 1937 there were only 394 industrial policies written for \$92,500 of insurance by the 24 Massachusetts savings banks life insurance departments and the same companies terminated 259 policies for \$54,178 of insurance. This is quite a contrast to the large number of persons who were carrying large amounts of insurance and to the much greater and increasing class who are able to purchase single premium annuities in the savings banks insurance departments.

According to latest reports of the Commissioner of Insurance and the Commissioner of Banks of Massachusetts, out of the total of 137,612 insurance policies for \$139,706,498, there were 4,029 industrial policies and \$937,235 in amount in force.

IN OTHER WORDS, after 32 years, 4,000 workingmen availed themselves of the plan with insurance of \$250 each, as against 69,000,000 industrial policies in force in the private life insurance companies. But bank directors and others of equal means

bought under the State plan policies of \$25,000 and annuities of \$5,200!

Many a blue-print is drawn in Washington today providing the more abundant life and to make it "secure" after it is bought, but absent from the chart is the unchartable factor of human nature. One reason for the failure of state insurance is obvious. No need for an insurance agent to testify. We all know that the hardest selling is necessary to get us to buy the things we *ought* to buy.

Trade is not a static affair. When selling and advertising were eliminated in the State plan in order to reduce expenses and thus reduce rates, it was doomed to failure. It would be an interesting mental exercise to conjecture how many of the 4,000 industrial policies were bought of the State because of the assiduous promotion and selling of the insurance idea by the representatives of the private companies.—M. T.

A Hobby Can Pay You Dividends

(Continued from page 26)

fashioned coin banks—those entertaining cast-iron mechanisms which did stunts when a child put in a penny. They were popular in grandpa's boyhood, and very likely he laughed when he saw a mule kick a farm boy, a dentist pull a tooth, or a dorky stick his tongue out—when he put in his penny.

Whenever Sherwood ran across such an old bank, he tried to add it to his collection. In his spare time he became an amateur detective, searching old foundries, looking through dog-eared catalogs, studying musty bank records in the effort to locate old coin banks. He became an authority on the subject and has done more than anyone else to bring these banks to the attention of collectors of Americana. Sherwood gets a real thrill in finding rare banks for his customers, one of whom is Walter P. Chrysler, the motor manufacturer.

Several years ago Mr. Chrysler was lunching with a business friend who told him of the relaxation he had derived from collecting old coin banks. In the next few years Mr. Chrysler found it a pleasant means of relaxation. Today he has one of the best collections in the country.

One of the finest typographers in the world today is Frederic Goudy. As a young man he was a clerk and book-keeper in a real estate office in a small town in the then Dakota territory. But, in his leisure hours he began to experiment with type, and found an absorbing interest in his little home printshop. He started off with an announcement or two, a program, and the like. After a time he realized that he would have to choose between his hobby, which interested him keenly, and his job, which did not. He chose his hobby. Although the years

have not always been easy for him, he has lived fully, and has designed more than 100 new faces of type to the enrichment of printing for all time.

Edwin M. Gerould of Swampscott, Mass., now spends all his time fashioning metalwork. It was originally a hobby with him, and he advises the Tired Business Man, "Instead of coming home and firing the cook and kicking the cat, just go down to your bench in the basement, get yourself a hammer and a piece of pewter or copper and become absorbed in a nice bowl or ash tray. First thing you know, you will have worked yourself out of that sinister feeling."

Not all hobbyhorse riders change their vocations. Some stalwarts keep a tight rein and don't let their hobbies run away with them—the hobbies remain profitable sidelines.

In the Bureau of Mines in Washington works A. George Stern, a man whose avocation is producing unusual chemical effects. As a result of this hobby he has developed a chemical artificial ice which can be prepared overnight. It was used in two films recently, starring Sonja Henie and Eddie Cantor, respectively. Stern has also perfected a type of "cold fire" after three years of experiment. Objects immersed in his preparation can be held, even while burning, in the hand. Film studios use it in scenes where the leading man has to rush through the flames to rescue the girl—he doesn't even get his marcel singed. If he did, some of Mr. Stern's artificial snow and sleet might be doused on him, but it wouldn't be cold because it's always at room temperature!

Stern enjoys flying out to Hollywood occasionally, but he intends to remain working for Uncle Sam. Stern recently appeared on the "Hobby Lobby" radio

program of Dave Elman, along with Chalmers, the candy-making plumber.

Some years ago Mrs. C. W. Igo of Colorado Springs, Colo., began raising dahlias as a hobby. She found it fascinating to see how many new colors, forms, and sizes she could breed. At one time she had 35,000 plants over five acres. Although no longer raising dahlias in large numbers, Mrs. Igo gets a great deal of pleasure out of breeding a new type, naming it after a friend, and then presenting it to that friend as a gift. Commercial profits are not all the story by any means.

Otto Lieske of Auburn, Wash., was a foreman in a terra cotta plant until a few years ago. His children married and moved away, so he took up an old hobby, wood-working, to fill the empty hours. He began making toys, doll houses, and children's furniture for the neighborhood youngsters. After a while he was making the toys in such numbers that he could not afford to buy the materials which went into them. To raise funds, he displayed a few articles for sale on his lawn which happened to be near a highway. Nowadays he makes as much as \$25 on busy days, and gets, he says, a much greater return in human satisfaction. All the money beyond his living expenses, he says, will "go back to the kids."

There are many other, more modest, examples of people who have made hobbies pay dividends.

In Denver, Colo., lives a very pert, eight-year-old girl named Barbara Jenkins. When Barbara was five she learned to cook and help out in the family kitchen until she could prepare nearly 100 dishes, including a few of her own. Today she earns all her expenses and clothes as an effective demonstrator of cooking products and equipment, after school and on Saturdays.

A workshop goes cooperative

IN Ashland, Wis., a college official has helped 20 young men and women to work their way through college by letting them use the equipment in what was originally his own home workshop to manufacture lamps, book racks, and simple furniture to sell to other students. The now independent, cooperative venture is going strong today. Mrs. W. S. Longmaier of Mill Creek, Calif., gets a tidy annual income from the pine cones she picks up in the forest near her home. She makes them into wreaths, Christmas ornaments and other novelties. Another woman living in Arizona, Mrs. R. A. Adams, catches rattlesnakes for their skins, and laughs at danger. Just be careful, she says, and you won't get hurt. But this seems to be earning money the hard way, and can hardly be recommended for quiet nerves.

One would think that in Hollywood, where the salaries are colossal, one would find few profitable hobbies. But Lionel Barrymore could earn his living, if necessary, painting and etching. He often sketches on the sets between shots and he does water colors at home. His work has been exhibited and received favorably in New York, Dallas, and other cities, and one of his etchings has been

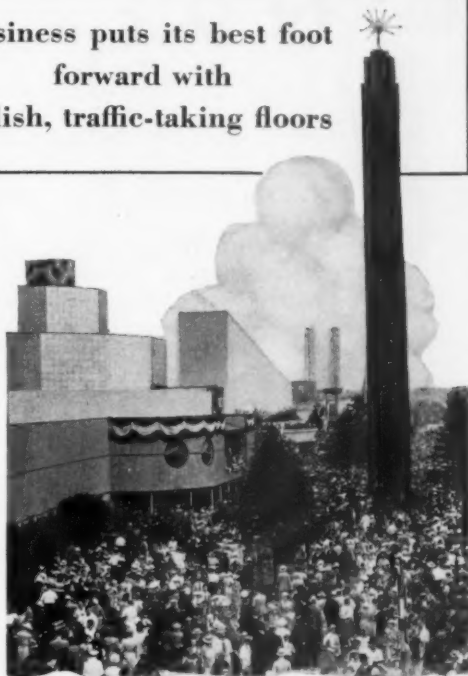
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Back in 1929, Reginald Denny found his comfortable fortune wiped out in the crash. He worried and fretted until one morning he saw a neighborhood youngster sailing a model airplane in his backyard. The small ship damaged a wing and Denny offered to repair it. He found that building these model ships took his mind off his troubles. He began making them as gifts, too, for his friends. Finding a considerable interest in them, he opened a small store on Hollywood Boulevard on a very small budget. The business prospered.

Charles Ruggles started his kennels in the San Fernando Valley as a hobby and now has developed them into a profitable commercial enterprise. He ships prize dogs all over the country, and has recently developed another hobby—raising rare birds. Several stars now at their peak have hobbies which could be turned into profitable ventures when film careers are over. They more than pay their own way now. Barbara Stanwyck raises and sells horses. So do Zeppo Marx and the director, Victor Fleming. Joan Bennett raises and sells cocker spaniels.

Writing as a hobby

ONE of the best writers on business subjects today is Jesse Rainsford Sprague, formerly a jeweler of San Antonio, Texas. He told me that, in his forties, he started writing as a hobby when he accepted the editorship of his Rotary Club paper.

"At first," he said, "it was a job to fill four pages every week, so I wrote articles eulogizing loyalty and honesty, and I aired my views on national politics and Shakespeare's plays. Then I asked my fellow club members how they liked the paper. They said they were sorry but they were too busy to read it, so I took stock. I began writing about the only things I knew—business and local personalities, and I struck my first sparks of interest. Thus began my writing education and a brand new career at a time when many men are hanging up their hats."

The late S. S. Van Dine, the mystery story writer, was a distinguished art critic before he took up thriller-writing as a side line. He used the name, "Van Dine," because he didn't want people to wonder how Willard Huntington Wright could be a good student of art and murder at the same time. Albert Payson Terhune originally wrote sociological treatises—it was his hobby, breeding collie dogs, that turned him into short story writing and won him an international reputation.

At first glance, one might say that Ely Culbertson made his fortune by *not* being a writer. When he came to this country, he intended to teach economics and write on political subjects. It was Josephine Murphy, to whom he was married for some years, who convinced him that his hobby, bridge, was a better and quicker road to fortune. Later, his writing ability enabled him to spread his ideas and gain a large income through newspaper articles and books.

Add to those hobbies that have made new jobs or have created profitable side lines, still a third kind of hobbies—those that pay rich dividends to the community at large. There are dozens of those too.

John W. Higgins is a steel manufacturer in Worcester, Mass. As a young man of some means, he began collecting medieval armor as a hobby. He felt that armor represented a great achievement in uniting art and utility, and thought that it constituted an inspiration for metal workers of modern times. To the original armor he added metal ware of all kinds, until the collection included some of the best examples of the metal-worker's art from the bronze age to the modern auto and airplane. The museum, now publicly owned and operated, attracts 25,000 persons a year—engineering students, school children, trade school workers, artists, and designers in metal.

As a boy, Garrison P. Sherwood of New York City was crazy about the theater. He collected programs, photos, clippings, literature, everything pertaining to the theater that he could get his hands on. Gradually his collection became known to research workers and he himself became an authority on theatrical history. Recently he gave his entire collection to the Museum of the City of New York, so that it might be more readily available to the public, and he became associate curator of the Museum's theatrical division.

Charles de Zemler is a spruce-looking man of 55 who operates the barber shops in Rockefeller Center. As a young Swede, he was working at his trade in Cairo, Egypt, and trying to educate himself in his spare time. In a museum he happened to see a frieze showing ancient attendants dressing the hair of an Egyptian princess. Something sparked inside the young man and he began to collect good oil paintings, etchings, and cartoons dealing with barbering. To these he gradually added articles of barbering equipment of all ages: neolithic flint razors, bronze Roman, Chinese, and Persian ones, shaving bowls, and the surgical equipment used when barbers used to pull teeth.

Mr. de Zemler has a collection of artistic value as well as historic interest, probably the best on the subject in the world. Medical historians, art students, and writers refer to it frequently. He intends to turn it over to some institution for permanent display soon, because he hopes thereby to give his calling more prestige in the eyes of the public and help raise its standards.

He has had a good many thrills in assembling his collection, but for ten years he has amused himself by seeking an obscure and really insignificant bit of Americana which seems to have baffled all collectors . . . a left-handed mustache cup. De Zemler is convinced that, with all the left-handed persons in the world, such cups must have been manufactured somewhere, and he won't rest until he locates one.

Which may explain in a nutshell why almost any kind of hobby, profitable or otherwise, is so perpetually intriguing . . . there never is an end to your experiences.